

JPRS-NEA-89-017
8 MARCH 1989



**FOREIGN
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JPRS Report

Near East & South Asia

19980713 082

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Near East & South Asia

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**Karabakh Committee Communiqué Attacks
Moscow, 'Hirelings'**

46050016 Montreal HORIZON in Armenian
16 Jan 89 pp 3, 6

["Appeal to the Armenian People" by the Soviet Armenian Committee of the Karabakh Movement issued on 23 December 1988]

[Excerpts] Compatriots: In its entire unhappy history, the Armenian nation has perhaps never had as painful a time as the past 2 weeks. With the blink of an eye, 100,000 people were lost and 1/5 of the population was left homeless. At a time when the nation was busy with the most difficult task of sheltering, feeding and consoling its fleeing kinsmen it was hit with natural disaster. Stunned by the surprise and grief, the nation—who could not keep up with burying its dead, who pulled lives out of the rubble of its devastated cities and buildings and who lived with the hope of survival with every survivor—was struck by a blow which kills the spirit remaining in a devastated body. Forgiving that act will be as difficult as recovering from it. [passage omitted]

The Committee's 12 December appeal stated that on the second day of national mourning the Politburo arrested half of the Committee's members (the other half were in the disaster area) with shocking cynicism. With that, the Politburo planned the people's natural protest the next day knowing very well what it was doing. Now it is well known how it is implementing its plan.

The arrest of the Committee and the dispersal by beating of the group of women gathered before the Writers' Union building—which has become a center of national cooperation—obviously set the stage for the natural protest the next day. The women were concerned about the fate of children being taken outside Armenia and upset by the contradictory and unconfirmed reports. When the angry and desperate people came out in the streets, the members of the Committee who, by chance, were still free had no choice but to be with the people. [passage omitted] The perpetrators of the massacre had made up their minds. When the Committee members were forced to shape and guide the natural protest which had the potential of leading to bloodshed (they had already broken some women's heads near the Tumanyan statue) and tried to lead the people out of the military-saturated city center through the tanks and armored cars executing dangerous maneuvers, the military force that was patrolling the Oktemberyan Avenue struck the people from behind. That was followed by an uproar generated by the propaganda machine with regard to the "ingratitude" of the Armenian people (e.g. "while the army is trying to save the Armenian people over there,

the Armenians are beating the army over here"). Not much was changed by the customary meaningless few words of praise about the "overwhelming majority of the Armenian people."

This was followed by the arrest of Khachik Stamboltz-yan, the president of the Benevolence Association, proving once again that Moscow is determined not only to put out of action a few dozen individuals, to eliminate the Karabakh movement and to close shut the Karabakh problem, but also to kill everything that gave birth to the Karabakh movement and to deprive the people of any pillars to stand on.

The arrest of Arshak Sadoyan, the president of the Constitutional Groups, and several activists of that organization clearly exposed the real purpose of sending the army into Armenia: to keep the people away from the upcoming elections.

It is hard to predict what step Moscow will take next; chicanery is filled with surprises. But the near-term goal is obvious: to arrest the Committee members and the activists of the subcommittees who remain at large and to blame them for the violence that accompanied the deportations that were organized or encouraged by [Moscow] itself; to initiate lengthy and counterbalanced judicial proceedings by arresting more people in Karabakh and then, finally, the participants in the mass disturbances and killings in Baku; to present the return of Armenians to Azerbaijan as a solution by keeping alive Azerbaijan's "disobedience," thus implementing the tried and simple method of committing real problems to oblivion by creating new problems; and to describe as ingratitude the slightest opposition to [Moscow's] will by continuously reminding the Armenian people of the assistance given to the quake victims in order to break the people's will.

As expected, Moscow succeeded in creating despair among the people for a while. Taking advantage of the nation's paralysis and despair in the aftermath of the disaster, Moscow did everything to maximize the mass psychosis and tried to divide and to disband our united and resolute nation and to turn it into a crowd of eternally mourning individuals. As usual, it used for that purpose its hirelings—the trash which exists in our nation as in every other nation, which always serves the foreigner and the ruler and which, dissatisfied with destroying the good created by the people, wants to take control of the people's grief and to shape the people's future while not forgetting to lick its master's soles.

Nothing has changed. Those who were against the people in the good days are against the people in the bad. The hireling receives his fee freely—as a paid mourner or a clown. The people are the deprived ones and they console themselves. [passage omitted]

REGIONAL

Modest Gulf Growth Is Predicted

44000297 Manama GULF DAILY NEWS in English
20 Jan 89 p 19

[Text] Kuwait—A top Gulf banker predicted that higher world oil prices and the Iran-Iraq ceasefire might induce a modest upturn in the economies of the six Gulf Cooperation Council (GCC) states this year.

But Khalid al-Fayiz, chief executive officer of the Gulf Investment Corporation (GIC), said that financing problems were hindering reconstruction of war damage in Iran and Iraq, widely seen as the key to any broad economic recovery.

"The means of finding finance for this reconstruction has to be found somehow before a major impact on the activities of (Gulf) trading or investment companies should appear," he said.

The end of eight years of fighting last August raised hopes of an economic boom in the Gulf as Iran and Iraq rebuilt their economic infrastructures. But it later became clear they were far from reaching a full peace settlement.

"There has been a return to a more realistic acceptance that although the war is over it's going to take some time to reach a mutually satisfactory agreement," Fayeze said.

He said efforts by the Organisation of Petroleum Exporting Countries (OPEC) to boost oil prices by limiting output boded well for the GCC states.

The six states—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates—have all had to restrain public spending because of falling world oil prices since 1982.

"Indications at the moment are that the agreement of OPEC is sticking. If this continues, then (an oil price of) \$15 to \$18 a barrel would not be unrealistic to expect for 1989," Fayiz said.

Oil prices fell as low as \$10 a barrel last October because of a glut in supply. Fayiz said the recovery in prices would ease pressure on state budgets.

BAHRAIN

GPIC Lauded for Gulf War Efforts

44000298a Manama GULF DAILY NEWS in English
20 Jan 89 p 19

[Excerpts] Manama: Marketing staff at Bahrain's Gulf Petrochemical Industries Company (GPIC) have been praised for keeping shipments moving during the Iran-Iraq war.

The marketing section's efforts in handling exports of ammonia and methanol from GPIC's Sitra wharf brought it the company's department of the year award.

General manager, Mustafa Sayyid, said: "Our marketing people did an excellent job in co-ordinating shipping activities during the Gulf War.

"This involved careful planning between ourselves, our customers and shippers. We had some cliff-hanging moments, but never lost a single tonne of production."

At the company's annual awards presentation, employees were honoured for their performance during 1988.

Employee of the year awards went to John Scott, Muhammad Iqbal, Hasan Zaynal and Ugo Cipriani.

Official Warns of Water Depletion

44000296 Dubayy KHALEEJ TIMES in English
27 Jan 89 p 4

[Text] Manama—Bahrain will need a new water desalination plant every two or three years if water consumption on the island keeps rising at the current steep rate, a senior government official has warned.

He said additional desalination plants are required to cope with the rising demand for water and to reduce dependence on underground water, ensuring that supplies are of an acceptable salinity level.

Sayf al-Banal, director of water supply, told the Akhbar Al Khaleej that after Abu Jarjur and Sitra desalination plants came into operation in 1985, there was a reduction in the pumping up of underground water. But since 1986, demand for water has been rising alarmingly, and this naturally meant pumping up more underground water, which in turn has affected the quality of drinking water supplied to consumers.

He said with the increased demand in summer, a greater pressure will be placed on underground water. However, the al-Dur plant is expected to meet part of the increased summer demand, and thus reduce the need for drawing on underground supplies.

Mr al-Banal warned against further depletion of the island's underground water resources, as this affects the quality of water available for supply to consumers. As more underground water is pumped up, and when there is no natural replenishment through rain, sea water seeps into the underground reservoirs to maintain levels of the water table.

He said normal consumption on the island is around 54 million gallons daily, half of which comes from underground aquifers. Under this pattern of supply, the water consumers drink has a salinity level of 1,300 to 1,600 particles per million, an internationally acceptable level.

He said the uncontrolled pumping up of underground water had already lead to high levels of water salinity in certain areas such as al-Hadd and al-Busaytin. Underground water in these areas has salinity levels that exceed 5,000 particles per million.

He said in July last year, the island's water consumption rose to an unprecedented level of 64 million gallons per day, four million gallons more than usual. The excess quantity was pumped from underground.

Mr al-Banal said this situation cannot be allowed to persist, and additional desalination plants will be needed to meet increases in demand for water supplies.

Either National Partners for Business or Face Closure

44000298b Manama GULF DAILY NEWS in English
20 Jan 89 p 4

[Text] Expatriate businesses have been given a deadline until the middle of March to find Bahraini partners or face closure.

The Commerce Ministry has recently sent circulars to more than 300 firms operating without Bahraini partners, granting them a grace period to change their status, under an Amiri decree of 1987.

In the OFFICIAL GAZETTE published yesterday the Directorate of Commerce and Company Affairs at the Ministry announced that all businesses owned by non-Bahrainis must apply to them to settle their legal status by 15 March.

The Amiri decree restricts trading activities to Bahrainis and to companies in which a minimum of 51 per cent of the shares are owned by Bahrainis.

In the announcement yesterday, the OFFICIAL GAZETTE said that firms unable to abide by the regulations should embark on the liquidation of their business in Bahrain.

Their commercial registers will be deleted by the end of May, the announcement said.

'Alawi al-Musawi, chief of company affairs at the Commerce Ministry, said recently that 364 firms had no Bahraini partners.

Registration of 22 had been cancelled after they failed to renew them for many years and 12 of them were included under special categories.

"Out of the remaining 330, some 25 have recently found Bahraini partners, some of them by virtue of marrying Bahrainis," said Mr al-Musawi.

EGYPT

Petroleum Minister Discusses Oil Price Increase

45040202 Cairo AL-MUSAWWAR in Arabic
27 Jan 89 pp 52-54

[Interview With 'Abd-al-Hadi Qindil, Minister of Petroleum and Mineral Resources, by Sana' al-Sa'id: "In Interview With AL-MUSAWWAR, 'Abd-al-Hadi Qindil, Minister of Petroleum: Egyptian Oil Price Will Be Increased in World Markets as of Beginning of Next Month"—date, place not given]

[Text] Chemist 'Abd-al-Hadi Qindil, the minister of petroleum and mineral resources, has talked to AL-MUSAWWAR about Egypt's current oil situation, stressing that oil price will rise by the beginning of next month if the market maintains its present condition. Qindil has also said that current production ranges from 870,000-900,000 barrels daily and that natural gas represents Egypt's true future energy reserve. The minister asserted that there is no tendency at present to export natural gas but that such a tendency is likely to develop in the near future when Egypt will accumulate enough reserves for 20 years, noting that Egypt's current reserves are enough for 14 years.

Chemist 'Abd-al-Hadi Qindil also discussed the conference which is currently meeting in London and which includes OPEC experts and experts from non-OPEC oil-producing countries. Qindil stressed the importance of this conference as a preparatory step preceding the ministerial meeting to be held in Vienna next March. He also referred to the controls governing the oil-prospecting industry, of which the most significant is political and security stability. Qindil also expressed the hope that all the parties concerned will adhere to the single-price policy and that all will steer clear off debilitating speculation.

Regarding what has been reported about corruption in the oil sector, Qindil said that such corruption is individual, not collective, and that the uncovered cases of corruption have been exposed by the oil sector itself, in cooperation with the administrative control authority.

Here is the text of the interview with Chemist 'Abd-al-Hadi Qindil, the minister of petroleum:

[AL-MUSAWWAR] What about the Egyptian reserve at present? Is it possible to establish new bases to allocate quotas and to set a production ceiling compatible and harmonious with other oil countries, such as the OPEC countries?

[Qindil] To begin, we are not an OPEC member in order that we may set a production ceiling compatible with the OPEC commitments. Setting a ceiling for Egyptian production, if there is a tendency on our part to set such a ceiling at present, should emanate from intrinsic convictions within Egypt that such a ceiling provides the right

production volume without putting pressure on Egypt's intrinsic needs, on its needs to repay the debts it owes, on its needs to repay the oil sector's debts or on the share the sector contributes to the Egyptian treasury. This [scenario] in its entirety constitutes the reality which Egypt needs at present. I believe that we have combined all these changing elements in a single formula and have come up with the conclusion that the production should be as it is at present, ranging from 870,000-900,000 barrels daily. At the same time, we have taken into consideration the fact that if we have to increase domestic consumption in order to meet the ever-growing electricity sector needs, then we should exert pressure to increase the production of natural gas because gas reserves represent Egypt's real energy future.

Possible

[AL-MUSAWWAR] There are those who think that Egypt is preparing itself as of now to export natural gas. What is the truth in this regard?

[Qindil] There is no tendency to export natural gas at present. However, this will always be a possibility if large natural gas finds are discovered. Such finds are not yet in the horizon, even though I believe that large quantities of natural gas do exist. But before making any decision, one must make sure that there are enough reserves to meet Egypt's industry and electricity production needs for no less than 20 years. We have not yet reached this situation.

[AL-MUSAWWAR] Are there signs indicating that it is possible to accumulate such reserves within a few years?

[Qindil] We are doing our utmost, constantly signing new oil agreements. Unlike in the past, the oil-prospecting agreements that we conclude call on the foreign companies to engage in gas prospecting not as an activity complementing oil prospecting but as an objective in itself. This stance will enable us, God willing, to develop reserves that permit us to export.

[AL-MUSAWWAR] What about the current reserve level?

[Qindil] The current reserves are enough for nearly 14 years, considering that we discovered new reserves recently. When we realized that our reserves were enough for no more than 10 years, we decided that if the companies wanted to continue producing at the same level, then their production must come from new reserves added to the existing reserve. Actually, this is what happened in the past 4 years. We have not touched a single drop from the reserve we inherited in 1984. We are currently producing reasonable quantities compatible with this reserve and we are adding to the reserve constantly.

Increased Reserve

[AL-MUSAWWAR] What is the volume of the new finds?

[Qindil] Our policy is focused mainly on increasing the Egyptian reserve. We do not pay much attention to the number of finds. However, we discovered 21 finds last year and 20 finds this year. These finds make no difference to the ordinary reader. What we must pay attention to is the reserve level because this reserve represents society's objectives.

[AL-MUSAWWAR] What are the reasons that have motivated us to raise the Egyptian oil prices?

[Qindil] Prices generally, not just our prices, have increased because OPEC members have increased their production in an irregular and disorganized manner and without any link. We have frequently warned against such increases since 1984 when the OPEC production ceiling was 16.5 million barrels. This ceiling now stands at 18.5 million barrels. In any case, I still say and repeat that the production ceiling is not the only factor determining prices. There are numerous other factors, the most significant of which is the way crude oil is sold. Adopting a single price compels the buyer to respect the purchase method and respect his contracts because he gets a "raw" material at a set price agreed in advance. The buyer then takes charge of the shipping, refining, selling and other processes and ultimately sets a specific price for the byproducts. The buyer in the final market purchases refined byproducts, not a raw material. Simultaneously, we have avoided the "wrong" ways we have seen develop in the markets in recent years. These are strange ways that determine crude oil prices on the basis of the prices of the final byproducts. This is a big mistake because it means that crude oil prices will rise or fall to any level, depending on the buyer's disposition. This means that the process is turned from a commercial process into a temperamental process. At the same time, this approach provides opportunities for manipulation of the purchase and sale processes and creates other patterns of mistrust in the markets. Previously, I talked to my colleagues the ministers of oil in the producing countries on this issue. In 1986, we reached the conclusion that the single-price policy had to be re-adopted. I hope to God that this wave of experimental purchase and sale methods will vanish. Our peoples can no longer withstand experiments that see-saw between right and wrong because they mean strong economic tremors for our countries.

[AL-MUSAWWAR] It is rumored in some circles that Egypt sells at preferential prices to certain countries that give Egypt special privileges in their oil markets.

[Qindil] To begin, we do not deal with countries but with companies in these countries' oil markets so that the commercial process may not be tinged with a political hue. I stress that we sell crude oil at the same price to all.

No preferential prices are given to anybody. Every drop of oil that leaves Egypt as an export is sold at the same price to all companies and all circles.

Market Stability

[AL-MUSAWWAR] Regarding the oil markets stability, I wonder: Can the London conference, which is being convened today, Thursday, develop enough solidarity between the OPEC and non-OPEC conferees to eliminate the oil market problems?

[Qindil] To begin, I say that the London meeting has its significance. The meeting seeks to stabilize the oil market and to pave the way for a full-quorum ministerial meeting to be held in Vienna next March. Therefore, the London meeting will issue no resolutions but will prepare for the meeting which is likely to issue the resolutions. As for a meeting between the OPEC and non-OPEC producers, I say that such a meeting has been going on since 1984. OPEC initiated the meeting when it realized that it was not the only producer in the market. In 1985, we became convinced that these meetings should not continue to be held as they had been held previously. We used to attend OPEC meetings only to hear OPEC's internal problems and we thus wasted time solving internal OPEC problems and not market problems generally. This is what made me boycott those meetings at one time. I was convinced that they produced no progress.

Generally, the oil-prospecting industry has its controls, the most significant of which is stability in the country where prospecting is done. I will cite Egypt's stability as an example. On the other hand, one wonders: Why, for example, have oil-prospecting activities in Sudan faltered? The reason is that there has been no stability there. Even if oil finds are discovered, political and security stability in a country are the main element. We cannot separate oil from politics. Oil is part of politics and oil investments are enormous capital investments before which investments in any other activity are dwarfed.

[AL-MUSAWWAR] Can the current meeting in London pave the way for cooperation and coordination between OPEC and non-OPEC producers? Can non-OPEC producers harmonize, within the limits of their resources and capabilities, their oil conditions with the OPEC?

[Qindil] Our initiative as non-OPEC producers was launched last year when Egypt called for a similar conference in London. The conference was held last year at the level of experts who reached the conclusion that some countries should reduce their export, not production, rates. Nobody interferes in production because it is a domestic matter and because it may be tied to varying consumption that rises and falls. Therefore, the real export figure is what one can talk about. At the time, we, as a group of countries, expressed our readiness to reduce

our exports by five percent, provided that the OPEC countries match this reduction with a cut compatible with the volume of their exports.

When we met at a ministerial level last year, the talks faltered. OPEC held a meeting for its members who disagreed on the [reduction] rate to be applied and on whether the rate should be 1-1 or 2-1. One group thought that the reduction should be divided equally and another thought that it should be divided according to production volume or export volume. We did not get involved in this discussion because we were not a party to the issue. But the OPEC producers then re-contacted us and the Venezuelan minister proposed to me that the [reduction] rate be 1-1. I turned down the proposal on the grounds that this would constitute a major sacrifice, especially since there is no bond between us [OPEC and non-OPEC] to motivate us to make such a sacrifice and since we are influenced by what happens in the market. If oil prices decline we suffer and if they rise we benefit. We said that there was absolutely no sense to putting such pressure on us because we were not a party to the equation. In order to make the situation beneficial, we try to encourage cooperation with the OPEC, provided that we don't end up making the sacrifices.

Let me return to the current London conference to say that it is extremely important because it will draw up the broad lines for the ministerial conference. I beseech God to give this conference success and to enable it to make the studies we need in order to issue resolutions that help stabilize the oil market.

There Is Improvement

[AL-MUSAWWAR] The recent Vienna agreement, concluded last November, was a serious attempt at organizing OPEC's internal oil affairs. Are there signs that this policy [agreement] has been enacted practically this year?

[Qindil] It is definite that the agreement has been largely successful, as evidenced by its impact on oil prices. If we compare the current prices with the prices 3 or 4 months ago, we find that there has been improvement. This reflects the success of the resolutions the Vienna conference adopted last November.

[AL-MUSAWWAR] Does this consequently mean that 1989 will represent a good beginning for adherence to [oil] policies?

[Qindil] Yes. Everybody feels that 1989 will be a good beginning.

[AL-MUSAWWAR] OPEC decided to reduce its production from 23 million to 18.5 million barrels daily. I wonder: Will OPEC be able to curtail its production and to adhere to the reduction politically and psychologically?

[Qindil] Necessity has its dictates. I believe that all are compelled at present to take advantage of and to enact this resolution. It is time for us to implement long-range policies and plans and to persevere in them. We must not be shortsighted. We must cling to the strategic objective. I believe that trust is growing stronger between us and the OPEC members these days. When OPEC members declare that they will adhere to a production of no more than 18.5 million barrels, they are serious, especially in this phase. I say we have learned enough lessons from the past.

Accomplishing Objective

[AL-MUSAWWAR] Some fear that in the second half of this year, the temptation of increasing production in order to maintain revenues may surface and that some producers may resort to cheating.

[Qindil] As I have already said, if we feel danger at any time, we will make our own decisions which will be compatible with our country's interest. Our participation in any conference falls within the framework of our awareness of the need for a cooperation that accomplishes one of Egypt's objectives, namely the highest yield possible from its oil.

[AL-MUSAWWAR] There are observers who believe that the support which the non-OPEC producers can give OPEC can only be formal and moral support.

[Qindil] If this is what some observers believe, then it is their opinion. But we have our opinion which is largely in agreement with the OPEC. Our opinion calls for coordinating our policy. This is evidenced by the Soviet Union's participation in the current London conference as a detached observer. This means that the phenomenon of participation and dialogue for the purpose of coordination is a real phenomenon. Contrary to the belief of those whom you call observers, I believe that we have a real weight because we can produce one half the volume OPEC produces.

[AL-MUSAWWAR] What role can the Soviets play at present, especially since they have never participated in OPEC's strategy in the markets?

[Qindil] I don't think that the Soviet Union can deal with OPEC. But the Soviet interest in the resolutions made is enough, in my opinion, to be a basis for initiating a dialogue, especially since the PRC is also present and since there are independent producers from Canada and the United States. So, it is dialogue, and there can be no harm in dialogue. If it produces nothing, it will be insignificant and if it produces something, all will benefit.

[AL-MUSAWWAR] There are those who believe that the 1990's may witness OPEC's revival and its restoration of its strength in the markets. The UAE oil minister

believes that this may happen within a period of 3-5 years, provided that a more balanced pricing policy is observed and that oil prices are not raised.

[Qindil] I don't know what may happen in the 1990's. But what the UAE oil minister advocates is worth implementing, especially if, for a start, the UAE observes it and adheres to it.

Iraq and Iran

[AL-MUSAWWAR] A positive point produced by the latest Vienna conference was to convince Iraq that it should observe the production quotas and to make Iran acknowledge the principle of equal quotas with Iraq.

[Qindil] The policies agreed upon in Vienna for Iraq set rates which I believe meet the two parties' (Iraq's and Iran's) wishes, especially since the two countries, having just emerged from a long war and considering their reconstruction requirements, need to produce at certain rates. This is why this production level has been set for them at present. If new developments occur in them in the future, it is likely that a new level will be set for them. This is one of OPEC's internal problems and we have no right to debate it or to comment on it.

[AL-MUSAWWAR] There are those who believe that the non-OPEC producers must shoulder their responsibility in defending the oil market so that the responsibility may become general and the burdens may be divided among all producing countries, each according to its capacity and ability.

[Qindil] We must not forget that at one time, OPEC was in command of pricing in the world markets and was the primary beneficiary of that pricing whereas we had no presence. We produced enough to export a million or so tons a year. The oil-consuming countries began to foresee the danger of exclusive control of the world markets by a specific organization due to the monopolistic nature of such control. Thus, the consuming countries began to channel their oil-prospecting investments to other fully neutral countries. What encouraged such investment was the presence of other countries in the form of independent production entities. I wonder: Have the OPEC countries channelled any investments for oil-prospecting in other countries? I say no they have not because they do not want to increase the volume of the world's oil production. Meanwhile, oil has been available in other countries that deserve to produce their oil, such as Egypt, Mexico and others.

Good Signs

[AL-MUSAWWAR] What about the oil situation generally at the present time?

[Qindil] Had the price factor helped, we would have seen other producers come into the production picture, thus enabling the world markets to stabilize and to steer clear

off the debilitating speculation which occurred at the end of 1985. Things are very different now and people have awakened. Those who engaged in speculation suffered a budget deficit which created an imbalance and they have suffered from what we are suffering now. I believe that the markets can remain stable for a time, especially since all the oil-prospecting companies have greatly streamlined and squeezed their spending. The 1989 signs are good. If we reach a price of \$18 per barrel, it would be good. Our oil price will rise again at the beginning of next month if the markets continue to be as they are.

[AL-MUSAWWAR] You say that the real direction of your policy is Egypt's interest and I ask: What about the recently reported cases of corruption in the oil agency? Don't they harm Egypt's interest and undermine the reputation of its oil sector?

[Qindil] Corruption is likely to infiltrate any place and any sector. The corruption is individual, not collective. I cannot talk on an issue that is being investigated by the public prosecution. But I can stress that the uncovered cases of corruption have been exposed by the oil sector itself, in cooperation with the administrative control authority. I don't believe that the corruption of very few individuals poses a danger. On the contrary, the fact that these individuals have been seized should be enough deterrent to those who think in a devious way.

We view matters with a comprehensive and scrutinizing look. We do not embrace doubts. But if we develop a strong suspicion supported by evidence, we immediately coordinate with the control agencies. We do not fear for our reputation from such cases of corruption because I believe that exposing corruption improves, rather than undermines, the sector's reputation. Covering up and concealing corruption, not the opposite, is what harms all the workers.

Government Turns Attention to Small Industries

Meetings Pinpoint Obstacles

45040166 Cairo AL-AKHBAR in Arabic 30 Dec 88 p 3

[By Jamil Jurj]

[Text] Suddenly, interest in small industries has reappeared. Some people are asking, "What are small industries? What effect do they have on treatment of the unemployment problem, which affects nearly 3 million graduates? What is the role of small industries in economic development? Could Egypt reach the level that Japan, Taiwan, and Singapore have reached?" These were the focus of the questions posed to experts and economics professors in various places.

To begin, the Egyptian scholar Dr Ibrahim Hilmi 'Abd-al-Rahman said, "Nowadays, there is a veritable flood of meetings to discuss the problem of small industry. A few days ago, President Husni Mubarak opened the Productive Families Exhibition and issued his directives. At the

same time, we followed a conference for applied scientists, a third conference at the Arab League, a fourth at the National Planning Institute, and a fifth in the National Democratic Party (NDP).

"Given this flood, one must answer the question of what is new. The answer, I think, is that interest in small industries has begun again due to fear of increasing unemployment and its social and political effect. Unemployment has reached 3 million citizens. These figures were mentioned in the presence of Prime Minister Dr 'Atif Sidqi in the industrial work force conference held at the Arab League."

Savings and Inflation

"Because we are a country that focuses its attention on security and stability, more than economic aspects, debts have risen to approximately \$40 billion (more than 100 billion pounds). The food gap in wheat has increased by about 80 percent. We see that savers get 10 percent interest, while inflation is running between 25 and 30 percent. In other words, the saver loses three times what he gains from his savings.

"Therefore, there is no obstacle to welcoming small industries as part of development in its various aspects. I hope that at least 10 percent of the initiatives at this flood of meetings will contain something new and valuable, not repetition."

Consumer and Producer

What initiatives have appeared in the recent meetings?

"One of the initiatives was the industrial complex in 10th of Ramadan City. One sees that every village in India has an industrial complex. Moreover, rural electricity in India is used for industries and production, while in Egypt it is used for video cassette players and television.

"Also among the initiatives were President Husni Mubarak's directives to develop the productive families project and spread displays of their excellent products abroad.

"Another proposal was to direct part of the American aid toward interest-free loans to small industry.

"An error into which the government has fallen is that it has encouraged the consumer, not the producer. The opposite is required, because the producer creates jobs and at the same time benefits the consumer. A defect in the developing countries, including Egypt, is that the distributor obtains the fruit of the producer and exploits the consumer."

Popular Power

"Also, the agricultural producer has received certain advantages, such as tax breaks for owners of less than 5 feddans and lowered prices on chemical fertilizers, because in the countryside he represents popular power and has political weight. On the other hand, the industrial producer has been assailed with conditions, restrictions, insurance, Industrial Development Bank interest, etc.

"The industrial producer needs suitable financing on easy terms. He needs technical assistance in the selection of equipment, products, and raw materials, in product design, in getting to know the market, setting prices, and a suitable place for operations."

Austria as Model

Dr Ibrahim Hilmi went on to say, "In the agricultural sector, there is an agricultural advisor in all the villages of Egypt, but there is no industrial guidance to help skilled craftsmen. The Agricultural Guidance Agency relies on the agricultural research centers, which include 14 institutes under the supervision of the minister of agriculture. The question is, Where is the agency for industrial studies and research?

In a country like Austria there is something called the "economic chamber." It takes an interest in all forms of production—banks, insurance companies, commercial and industrial establishments, transportation and communications—in other words, every production or service activity of economic value. The top level of the chamber includes the prime minister, representing the government, the president of the workers' federation, representing the workers' side, and the president of the economic chamber. In Egypt, on the other hand, there is no coordination between government, labor, and producers.

"In Egypt there is something one can call "overheated media." The media concentrate on an issue for a certain period—a week or two—and then it is over. I therefore recommend taking an interest in all production processes, including small industries, banks, and insurance. We should not stop with small industries; interest should extend to more advanced industries."

Complexes for Rent

Dr Muhyi-al-Din al-Gharib, vice president of the Authority for Investment, said: "For the first time, the authority is now preparing a list of small projects to be presented to young people before the end of next month. Care will be taken that these proposals do not require large investments. They will rely on young people's efforts and their ownership of the projects.

"The authority will begin an experiment based on equipping industrial complexes in the new cities, including 6th of October City and al-'Amiriyah. They will be equipped with utilities, tools, and equipment for rent to young people. This experiment is different from the new 10th of Ramadan complex."

Small Industries

Dr Husam Mandur, professor at the National Planning Institute, said, "People disagree about the definition of small industries. Some have reached the conclusion that what is middle-sized or large in a developing country would be among the small industries in advanced countries. Some countries define the kind of enterprise by the number of its workers. Others use the volume of capital, the quantity and level of production, and the technology employed.

"For example, we find that Japan defines a small enterprise as one in which 20 or fewer workers are employed. In America, it is 250 workers or fewer. There are steps until one reaches 1,000 workers; yet you might still consider it a small enterprise. The World Bank's definition is 50 employees or fewer. In Egypt, our definition is 20 employees or fewer."

Use of Technology

Dr Muhammad Kamal Mustafa, work force consultant at the Arab League, believes that the small enterprise begins with a single individual—a skilled craftsman or professional, who gathers to himself a limited number of people, so that a shop results. The manufacture of shoes, spinning, weaving, and furniture making are examples. Some people think that the use of technology in production leads to a reduction in the work force. This is incorrect. It has been proven that the degrees of mechanization are many and gradual. Mechanization leads to increased production, lowered costs, improved quality, and increased profits. This necessarily brings about two things: expansion of the market, and an increased surplus. The latter, in turn, brings about the formation of an investment volume that allows expansion and the absorption of new numbers of workers.

"Existing workshops should be inventoried and classified according to size and type of production. State agencies should provide them with a connection to large factories, so that the latter can contract with them and buy their products. The big factories should support these workshops financially, with payment taking the form of purchase of products."

Obstacles by the Dozen

Dr Fathi al-Husayni, industrial planning consultant at the National Planning Institute, dealt with the obstacles facing small industries, saying, "Can you imagine that there are 14 agencies inspecting and overseeing small enterprises? Some of these are the ministries of Labor,

[Social] Insurance, Supply, Health, Industrial Security, Measure Standardization, Industrial Surveillance, Customs, Taxes, and the Agency for Surveillance of Exports and Imports!

"Before any workshop or enterprise is established, one must obtain the approval of 13 agencies—for example, permits from the Buildings [Department], the Chamber of Commerce, the Union of Industries, the Industrialization Agency, the Exporters' Register, and the Importers' Register!

"Add to all this the arsenal of laws and regulations. These include Law 21 (1958) regulating industry, Law 43 (1974) on the investment of Arab and foreign capital, the laws on companies, business registration, new communities, labor legislation, taxes, social insurance, and the import-export regulations.

"It is a heavy burden that does not help the establishment of small industries. It would be beneficial to lighten this burden by reducing these agencies and organizations, limiting them to the agencies dealing with foundation, deeding, and registration."

'A Tool From Every Egyptian'

Dr Farid Raghib Muhammad al-Najjar, head of the Business Administration Department and assistant dean of the College of Banha, dealt with economic, financial, monetary, and tax policies and their effect on the owner of a small enterprise. He called for clarity in these policies, saying:

"The sector of skilled craftsmen provides about 200,000 jobs a year and a production valued at 1,300 million Egyptian pounds. The problems that face it must therefore be remedied. These problems include high customs duties on tools and production requirements. By contrast, countries like India and Yugoslavia grant an exemption of 50 percent.

"Interest rates on loans should also be reduced, particularly since the banks have tremendous resources. Industrial credit and letters of guarantee should be freed up. Funds should be made available for importing tools by reducing the limits imposed by the central bank. We must raise the slogan, "A tool from every Egyptian traveling abroad for the love of Egypt," particularly since many of our people and scholars are now visiting us."

'Set Out for the Desert'

Dr Ra'fat Shafiq Bisharah, a UN expert and professor at the National Planning Institute, said, "Small industries are no longer restricted to domestic work in a confined workshop. An as-yet-unexploited golden opportunity lies before us: guiding our young people and university graduates into the business of extracting and refining raw materials.

"We are in great need of phosphate and potash fertilizers, the raw materials of glass, metals, and silt for land reclamation. We have the eastern and western deserts, the Sinai peninsula, and the Red Sea and Mediterranean coasts, which are rich in these resources. Thus we must begin providing opportunities for graduates from science and engineering colleges. A precondition is that the state supply utilities in these regions, remove existing obstacles in the mines and quarries law, and set a strategy to define the form of the relationship between the large public sector and middle-sized and small [industry].

"In the first stage, I advise beginning with the Eastern Desert, the Nile Valley, and the Mediterranean and Red Sea coasts."

Other Worries

Finally, Majid Salah-al-Din Khashabah, assistant lecturer in business administration at the National Planning Institute, spoke to us:

"There is no legal guardian responsible for small industries. There is an unjustified duplication between the Bank for Industrial Development and the Craftsmen's Bank. This is particularly true now that funding is no longer the problem.

"There is inadequate training activity in the craftsmen and cooperative production system. Figures show that only 8 programs were held in 8 years.

"Figures also show that 56.3 percent of the enterprises established under the law on the investment of Arab and foreign capital were small enterprises with a capital of under 1 million pounds.

"Official intentions about small industries have not been translated into actual achievement for the benefit of this vital sector. The Industrial Development Bank's interest rate on loans is very high—20 percent on loans for equipment, 12 percent on loans for raw materials. This rate is unmatched elsewhere in the world, and it affects production costs.

"Taxes are haphazard.

"The sector faces importation problems and high prices for requirements from abroad, in addition to electrical power problems.

"In the waiting lists for land in 10th of Ramadan City there are about 165,000 meters.

"Even the productive families project is suffering from funding pressure, particularly after the passage of Law 127, which restricts the granting of material facilities such as tools, etc., to individuals, on the ground that these things are government property.

"The situation of unprofitable companies must again be corrected.

"The bureaucracy for taking out a loan from the Local Development Fund must be remedied. As things stand, one presents an application to the local unit, then to the Popular Council, then to the Development Department at the district level, and finally one obtains the approval of the Village Building and Development Administration in the governorate."

Funds Allocated for New Projects
45040166 Cairo AL-AKHBAR in Arabic 30 Dec 88 p 3

[By Fatin 'Abd-al-Raziq]

[Text] Dr Maurice Makramallah, minister of state for international cooperation, stated that 28 million Egyptian pounds and \$10 million have been allocated to fund establishment of small industries in various fields in the context of government policy aimed at increasing production.

Ahmad 'Abd-al-Salam, first deputy of the ministry, stated, "Twenty million pounds have been earmarked for the project of guaranteeing bank loans to small industries. The aim is that the banks should lend to small business owners out of their own funds, with the new project guaranteeing 50 percent of any sums whose collection becomes difficult, and with the banks carrying the remaining 50 percent, inasmuch as it has been established that some owners of industries lack adequate experience in dealing with the banks.

"A sum of \$10 million has been allocated to the Alexandria Businessmen's League and the Cairo League of Craftsmen for the Encouragement of Small Industries, so that their loans can be renegotiated on easier terms.

"Also, 1 million pounds have been allocated to the Egyptian League for the Encouragement of Enterprises by University Graduates, and 2 million pounds for loans to small industries supervised by the Ministry of Scientific Research.

"The sum of 5 million pounds has been allocated to the Ministry of Social Affairs for productive families projects."

Al-Minya Professors, Former Radical Discuss Local Extremism

45040168 Cairo AKHBAR AL-YAWM in Arabic
31 Dec 88 p 5

[Article by Husayn 'Abd-al-Qadir al-Sayyid Salamah: "Confessions of a Repentant Extremist, Has the Continuing Tale of Fear Ended in al-Minya?"]

[Text] The picture in al-Minya was different. The situation was mostly calm after the cessation of the acts of violence led by a number of individuals from the extremist al-Jihad organization. Will the calm continue?

Al-Minya University professors state that members of the extremist groups hold fast to the husks and are being used to strike at Islam from within. They professors call for dialogue.

The governor and director of state security support this, saying, "We are not hostile to religious people, but will stand up against anyone who tries to threaten citizens' security."

AKHBAR AL-YAWM met one of the members of the extremist groups and held a discussion with him until he refused to continue the discussion. It also met with someone who has abandoned the thinking of these groups and uncovered the lack of religion and knowledge from which the young people of the groups suffer.

At al-Minya University we met with a number of faculty members and explored their views about extremism on the university campus.

Dr Ahmad Ra'fat, professor of sociology and assistant dean of the Faculty of Letters, said, "Egyptian society is by nature a religious society; however, those people use only the cloak of religion. They raise the banner of religion and grasp husks of ideas, rather than the roots. They exploit economic problems, unemployment, and the leisure of many young people. They prove the validity of their extreme ideas by the rumors that abound about the corruption of certain officials, exaggerating to serve their purposes. I believe that what they are doing to Islam is part of a deliberate plot to fragment Islam and strike it a blow from within through its young people."

Mentioning an incident to prove his opinion, Dr Ahmad Ra'fat said, "As I was praying the Friday prayer in one of al-Minya's mosques, I was surprised by someone distributing leaflets to the worshipers. He gave me one. Just as I was leaving the mosque, I was surprised by someone holding out his hand with another leaflet. I said to him, 'I have a leaflet.' He said, 'This is another one.' So I took the two leaflets. The third surprise was that each leaflet contained a number of charges against the writers of the other leaflet. Was this, I wondered, in the interest of Islam? Who was it who stood behind these people and made them imagine that what they were doing was right?"

Dr 'Adil Mihran, professor of history at al-Minya University, thought that the extremists were exploiting the young, with their feeling of strength and impetuosity. They were propagating their objectionable ideas among them, aiming primarily at the popular classes whose economic and social conditions led them to sympathize with extremist thinking. He said, "I think the solution lies in continued discussion based on objectivity. Violent confrontation has proved to have failed in curbing extremist activity."

Discussion With an Extremist

We met with a member of the al-Jihad organization in al-Minya. After a great deal of difficulty, he gave us an appointment, but set conditions and took precautions before agreeing to a discussion. He asked us not to ask him his name or job. Reluctantly, we accepted his conditions.

He said, "I joined the organization 12 years ago. I was arrested after the events of 1981 and spent 4 years in prison. I came out stronger and more convinced of the ideas on which the al-Jihad organization is based."

He added, "We draw our ideas from the Koran, Sunnah, and venerable forefathers. In matters of opinion on Islamic law and in carrying on our activity, we base ourselves on the writings of the organization's leaders—for example, the book "Tasnif al-Hukkam" [The Classification of Rulers], by Dr 'Umar 'Abd-al-Rahman, the book "Mithaq al-'Amal al-Islami" [The Charter of Islamic Action], the book "Hatmiyat al-Muwajahah" [The Inevitability of Confrontation], and the book "Bahth al-Ta'ifah al-Mumtani'ah" [Discussion of the Sect That Abstains]. We do not read the government or party newspapers, because they are hostile to us. Instead, we have publications and magazines that speak for us. Among the most prominent of these is the magazine KALIMAT AL-HAQQ [The Word of Truth], which is distributed to members who are school and university students."

He added, "Our slogan is what God, praised and exalted be He, said: "Fight them, till there is no persecution and the religion is God's entirely" [Koran 8:39].

[AKHBAR AL-YAWM] This verse was revealed concerning the polytheists of Mecca; it should not be extended beyond them to Muslims.

We asked him, "Why do reject entering the political parties?"

He said, "Because they are imported ideas aimed at striking a blow against Islam. A single party or many parties are something foreign to Islam, something that it never produced.

We interrupted him, "But you agreed to enter student union elections in the universities!"

He replied irritably, "This is a means whereby we can carry on our activity."

We said, "If the ideas you advocate are Islamic, why do you set fire to video stores, destroy stores, battle the police, and attack citizens?"

Trying to appear calm, he said, "We do these things in order to apply the principle of 'promotion of virtue and suppression of vice.'"

We asked, "Do such things as marching in demonstrations, stirring up school students, assaulting others, and attacking bread bakeries fall under the heading of 'promoting virtue'?"

We were surprised when he stopped talking and asked us to go away. Since we had reached a dead end with him, we preferred to go away.

Many questions remained in our minds about the ideas these people advocate. We examined some of their books that they had given us. The questions became even more insistent in our minds after our conversation with the member of the extremist organization.

A Returnee From the Organization

The real surprise involved another member of the al-Jihad organization. He embraced their ideas while he was in the third year of junior high school and dedicated himself to defending them in all his social gatherings, with his fellow students, and among the people of his village.

His name was Muhammad Muhammad 'Ali, teaching assistant in the Islamic Studies Department of the al-Minya Faculty of Letters. He said, "I first dedicated myself to defending the ideas of al-Jihad when I was in junior high school. Although our family circumstances required that I help my family, I occupied myself exclusively with the organization. I plunged into its activity, until the events of 1981 came and I was imprisoned for 3 years. In prison, I read for the first time—yes, read for myself, rather than hearing from others! I memorized the entire Holy Koran and begin to open my mind to the books of the Islamic heritage. Marvelous what I found! I found myself. It was as if I had been in ignorance—in darkness—and the more I read, the more my ignorance increased. I realized that I would have to seek more knowledge.

"The more I read, the more distant I became from the ideas of al-Jihad. I found that my fellow young people and I were living a knowledge vacuum and that the right way was for each of us to begin with himself and then with his family and relatives.

"In prison, I saw another reason for the extremism of these people. I found that some ulema [religious scholars] would come to the prison with a preconceived notion that these young people were wild beasts that called everyone in the society infidels.

"They would begin their discussions on that basis."

Treatment by Discussion

"After leaving prison, I announced to everyone I knew that I was completely finished with those ideas. I then entered the Faculty of Letters. Although my grades qualified me for entry into the Faculty of Engineering, I wanted to correct what I had lost of my life with these extremist ideas."

Muhammad Muhammad 'Ali, Islamic studies teaching assistant, thinks the treatment for these people begins with a change in our view of them. We should consider them well-intentioned, but deceived and misled. That is where the treatment begins.

He added, "I think that dialogue with the members of these organizations has not begun. There have only been attempts. Any dialogue has to be continued. Do not expect us to change ideas that an organization member has held for 10 years, if we come and hold a 1-hour discussion with him and then stand asking why this member's ideas have not changed!

"Based upon my experience, I still believe that the intellectual inflexibility of these people can be removed only by continued and constant dialogue."

Three Kinds of Extremism

We met with 'Abd-al-Tawwab Rashwan, the governor of al-Minya, and Major General Zakariya Riyad, director of security.

'Abd-al-Tawwab Rashwan, governor of al-Minya, began by saying, "One notes that all these extremists are united by a low economic level and a modest social level. They try to compensate by rebelling against the laws. Another thing the extremists have in common is that their educational level is shallow. They grasp the husks of religion and leave the essence. Islam means tolerance. The call to Islam takes place only 'with wisdom and good admonition' [Koran 16:125]. They do not apply this; if they did, they would be far from extremism."

The governor divides extremists in al-Minya into three groups:

"One group receives salaries and sums of money from abroad and home from people who have an interest in destabilizing Egypt. This group is very small in number, but they are intent on their position of extremism.

"The second group are professional leaders. They are dazzled by publicity about themselves and have nothing against killing and committing crimes in order to continue as leaders."

The governor said, "The individuals of these two groups should be confronted with firmness and resolution on our part.

"The third group is composed of individuals who have been misled and deceived in the name of religion. They deserve calm and objective discussion from us, based on learning." The governor went on to say, "Sometimes discussion has the opposite effect with these extremists and gives them the feeling that they have worth, while they have worth only in their imagination. When the discussion is conducted by showoffs, instead of Islamic missionaries, mistakes may occur. The discussion must be conducted by specialized Islamic missionaries who respond to argument with argument, not with shouting."

'Abd-al-Tawwab Rashwan said, "As for the demonstrations the extremists have been leading since 2 weeks ago in al-Minya on the pretext that we have raised the price of a loaf of bread, the facts are that we did not make the price of a loaf 5 piasters; we merely said that we would try implementing the experiment at the governorate's automatic bakery. Production has in fact begun of loaves with improving ingredients added, and we have encountered great public interest in buying the improved loaf. To date, we have not issued a decision on generalizing the experiment or continuing it. We were surprised when a number of al-Jihad members threw bricks at the bakery. We arrested them."

The governor concluded by saying, "We are on the side of every hand that produces. We have a great need for every religious person. We strongly defend religion, but at the same time we stand resolute in the face of any extremist behavior."

Role of the Man in the Street

Maj Gen Zakariya Riyad, head of al-Minya security, said, "We are not making war on religion or religious people. On the contrary, we encourage religiosity. The police have never intruded into a mosque in al-Minya. Neither are we making war on the ideas that the members of the Islamic groups espouse. However, we stand in the way of these ideas when they have been translated into behavior and deeds that the law declares illegal and that society rejects."

He continued, "The foundation of the al-Jihad organization rests on numbers of young boys and school students who are stirred up by the repetition of religious shouts and slogans, which then develop into slogans against the system of government and against those in charge of it."

The director of security took out of his desk a report on incidents that members of the extremist al-Jihad organization had committed against citizens in al-Minya.

The report included the following:

In August 1987, there were repeated cases of extremists interfering with their fellow university students on the pretext of "promotion of virtue and suppression of

vice." They stopped a truck loaded with cases of soda and destroyed them on the pretext that they were alcoholic (they were merely soda).

Last New Year's Eve, some extremists threw Molotov cocktails at citizens on the Corniche Road.

Last July, one of them threw a bottle containing a firecracker at worshipers as they left al-Tawhid Mosque in order to provoke panic among them.

Last October, the students of al-Ittihad Junior High School marched in a demonstration and tried to block traffic and burn rubber tires in the road.

On 11 December, members of the al-Jihad and extremists demonstrated in the streets of al-Minya and tried to destroy the automatic bakery on the pretext of a rise in the price of a loaf of bread.

Maj Gen Zakariya Riyad said, "But for the continuous and intensified police presence, events in al-Minya would have proceeded quite differently. The remedy, in my opinion, has to take place in a comprehensive national context. All the appropriate agencies must share in it—information media, youth, sports, labor unions, university professors—so that through this participation we reach the man in the street."

AL-WAFD Views Stand on 'Regime'
JN2602211289 Cairo AL-WAFD in Arabic
23 Feb 89 pp 1, 11

[Article by Mustafa Shardi: "The Opposition and the Regime Are at a Crossroads"]

[Excerpts] I am not addressing this talk to Husni Mubarak, NDP chairman and president of the republic, because I am tired of addressing him for 5 years in the hope that he may take the initiative and rectify many erroneous—or, rather, corrupt—states of affairs in this country, a country which is being ruled by his party through forgery and terrorism. However, this rectification has not occurred and the hope has died and I buried it in the People's Assembly hall last Monday.

Moreover, the political and press experience of the past 5 years has not granted any fruit to either Egypt or the Egyptians, apart from thorns in the people's throats, a high cost of living, anxiety affecting everyone, a clear confusion in policies in most fields, and much pain and the feeling of bitterness and frustration by the opponents.

As for the government officials, some of them are represented by the regime's two wings: Zaki Badr and Rif'at al-Mahjub. As for the ministers, the prime minister, the NDP representatives, and most NDP leaders, we, sons of this people, may mourn them. We should have early on realized an important fact—namely, that men who are urgently requested to occupy posts are the only

ones who can build homelands, and that those who run after posts and kiss the thresholds for the sake of these posts are dwarfs who have small minds and stands and are only interested in remaining on the seats given them. None of the latter can be helped by their whispering in their very private meetings regarding their concern over the continued aggravation of the situation, by their rejection of most of the current conduct and state of affairs, or by their "secret" upset over the new disasters afflicting Egypt. This whispering is useless, and history will neither hear nor pay any attention to it.

History will only record the moment when the hands rise in the People's Assembly to support the falsehood. History will also record the approval of the ministers, in their meetings, of something that they know is a grave mistake. It will also record for the NDP leaders who—for the sake of fighting for seats and positions close to the high leadership—have squandered Egypt's interests and trampled them underfoot. Moreover, history will record every word written by any pen to support all of this or any silent pen which sought safety. History will not accept an oath from any one of those people claiming he was not aware of matters.

Given that this is a decisive moment in the history of political life in Egypt, national duty makes it incumbent on us to exercise self-criticism so that we, the opponents, can admit that we have pinned much hope and endured the regime's stands, along with its behavior and intransigence, longer than required. We have also allowed the regime to pursue the policy of ignoring the national forces for a long time. We have even allowed the regime to "twist" our arm more than once and on several occasions. We have done all this in the hope that the situation will be rectified and that the moves will be made on the right path so that we will be able to save Egypt and protect it from ordeals and dangers posed to it from all directions.

We were hoping that if we endured the other party and gave it an opportunity, then welfare, freedom, and stability would be brought to Egypt. We also believed that some seeds would take a long time to provide green branches. However, when the years passed we were surprised that the fruit was bitter and that one model of the regime's achievements is sitting in the Ministry of Interior while another is sitting on the People's Assembly podium. [passage omitted]

What happened at the People's Assembly, very briefly, is that some deputies of the nation began exercising a constitutional right and performing a national duty that others disregarded. They addressed four questions to a bloody minister terrorizing Egypt and killing people in the streets without trial. The four deputies gave cogent proof and documents, including court verdicts issued by our honest judges. In any country in which the law, the

constitution, and the citizens' rights are respected, one single piece of evidence of that provided to the People's Assembly's Secretariat would have been enough to sack the government 100 times.

The minister stood to answer, but in fact he did not. He converted the respectful rostrum into something almost similar to a clown theatre. He beat around the bush, made sarcastic remarks, and then turned the whole situation upside down. Although the defendant, he did not defend himself or refute the accusations. He began directing accusations, slanders, and obscenities to the deputies of the legislative authority.

All of a sudden, we found the executive minister stepping over the Constitution and accusing, threatening, and cursing the legislative authority while standing under its roof. He even accused and swore at the opposition newspapers, which, supposedly, have the authority to watch the minister, according to their invented laws.

In a few minutes, the ugly but true picture of the basis of the existing regime in Egypt appeared. The features show a horrible upset in the balance of the authorities, with one of these authorities—the executive authority, represented by the mordacious minister—viciously attacking and grabbing with its teeth the legislative authority as well as the press authority.

The situation is exactly like that of a defendant accused of murder and disgracing others attacking his judges, placing them at the dock, and trying to sit in their place to try them. [passage omitted]

The Egyptian opposition, which now stands at a crossroads, should reconsider its old calculations and estimations, not in light of the regime's chosen interpretation of the People's Assembly incidents, but on the basis that the regime is, first and last, responsible for the minister, whether he was obeying the regime's orders or disobeying these orders, feeling stronger than the regime.

On the day the People's Assembly's incidents took place, the whole of Egypt was overwhelmed with enthusiasm and had hopes in the opposition and its strength. The opposition should now prove to the people that it deserves their confidence and support and that it is able to adopt firm and decisive stands.

Today, the people are on our side, and the right is in our hand. At every time and place, right is stronger than power, and the weapon of right is stronger than cannon, tanks, and armored vehicles.

Our souls and livelihood are in the hand on our creator only. The most that the tyrants can do is to put us in jail. Even if we are hanged, this is God's will, which we accept out of our belief in God, faithfulness to our people, and readiness to sacrifice for our homeland.

When they go to extremes in their tyranny, close down our parties and papers, and arrest some of us, they should wait for the day on which regret or repentance will be useless.

AL-MUSAWWAR Reports Opinions on Coptic Party

JN2602154889

[Editorial report] Cairo AL-MUSAWWAR in Arabic on 24 February publishes on pages 20-23 a 2,500-word report by Sana' al-Sa'id presenting a cross section of Egyptian public opinion on the intention to form a Coptic party in Egypt.

Asked his opinion, Pope Shinudah of the Coptic Church in Egypt says: "I absolutely do not approve of the formation of a political party by Christians." He adds: "Some Copts may have misunderstood the principle to avoid negativism in politics, but their positivism lies in their participation with their Muslim compatriots in the party they consider appropriate for their political inclination. As for the formation of a strictly Coptic party, this is absolutely rejected. I was surprised when I heard the report about an application to form a new party under the name of the Social Peace and National Unity Preservation Party."

Pope Shinudah continues: "Those seeking peace and national unity must mix with their Muslim brothers in unity. This is how they can achieve the peace they want. The formation of a Christian party is bound to cause negative reactions. It would not be joined by Muslims, or moderate Christians for that matter. Thus, it would find itself isolated and therefore useless. It would neither achieve political success nor win any elections. On the contrary, it would live in isolation, which would have a harmful effect. Therefore, this trend is harmful rather than useful. No doubt, those who are trying to form the party have not consulted anyone."

Commenting on the Coptic party idea, Dr Milad Hanna says: "I do not know anything about this party or its leaders and ideologies. However, there is bound to be a reaction to every action in politics. It is only natural for the movements and excesses in 'Ayn Shams, al-Minya, and other places to make a group of Egyptian Copts stand up and try to make the stronger side understand that it also exists."

Counselor Ma'mun al-Hudaybi says the Muslim Brotherhood will establish a party if another religious party is authorized. He adds: "Egypt needs calm and stability, not sedition, challenges, and confrontations. Everyone should consider the public interest. All we hope is that the authorities would discuss the subject of opening the door to the establishment of parties. This subject should be tackled carefully, especially since there is nothing in the Constitution against the establishment of religious party."

Labor Party leader Ibrahim Shukri says: "In general, we support the principle of the formation of parties. We cannot view the formation of a party for the Muslim Brotherhood from a narrow angle as it affects our present situation because of our alliance with the Islamic tendency, represented by the Muslim Brotherhood, and the Liberal Party. Giving freedom to the formation of parties corrects situations and sets clear borderlines between existing trends, so each will have its own identity. Freedom lies in the formation of parties."

Asked his opinion on religious parties, Dr Ahmad Salamah, member of the Parties Committee, says: "Party formation comes under the Political Parties Law. The government has nothing to do with this. In other words, the government cannot tell the Parties Committee to approve or disapprove such and such a party." He adds: "Regarding religious parties, I would like to point out that Paragraph 3 of Article 4 of the Political Parties Law bans any party whose principles, programs, activities, leadership, or membership conflict with the provisions of Law No. 33 of 1978 concerning the protection of the internal front and social peace, or that is formed on a class, factional, or geographical basis, or that is founded on the basis of discrimination based on sex, religion, or creed. To affirm our national unity, it is impermissible to form a political party on the basis of religion, sectarianism, or creed. Egypt is known for its national unity. In my opinion, the public interest will be greatly affected and shaken if we allowed religious parties. It would mean going back to dividing society into religious sects. If we allowed this to happen, God forbid, it would lead to what happened in Lebanon. We all reject what happened in Lebanon. We will never allow such a thing to happen to us in Egypt."

ISRAEL

Ari'el Settlers Warn Arabs in 'Leaflet Number 1'
44000292 Jerusalem THE JERUSALEM POST in
English 26 Jan 89 p 12

[Article by Joel Greenberg and Michal Sela: "Rampaging Ari'el Settlers Left Behind a Warning to Palestinians in Arabic"]

[Text] Settlers from Ari'el who rampaged through the village of Bidyah Tuesday night, following stone-throwing attacks on Israeli traffic, left behind an Arabic handbill entitled "Leaflet Number 1," warning villagers that Palestinian violence was "a two-edged sword."

The settlers blocked the Bidyah junction on the Trans-Samaria highway and smashed car and house windows in the village after a 16-year-old girl was injured in the eye by shattered glass when stones were thrown at a Dan bus.

The handwritten leaflet said that years of good relations between Arabs and Jews were being threatened by "groups among you who are spreading terrorism, and conspiring against the lives of our women and children

by throwing stones and petrol bombs, in violation of the virtues that have characterized the glorious periods of Arab history. You should know that this [violence] is a two-edged sword. If it persists, it will harm you, your property and your security."

The leaflet warns that the settlers' patience is running out.

It ends by saying, "We extend a hand of peace," and it is signed "The people of Ari'el."

Residents of the settlement have in recent weeks responded immediately to any attack on Israeli traffic near the settlement.

In other West Bank developments yesterday, an eight-year-old boy from the village of Tamun was hospitalized in Nablus after being burned in the hands and face by an object he said was thrown at him by troops.

A military spokeswoman said that the boy apparently handled an object which exploded in his hands, and that the incident was still under investigation.

The incident, which occurred in the Jordan Valley, was similar to other incidents in recent months involving Tamun residents burned by objects they claimed were hurled at them by troops. The objects proved to be explosive flares used by the Air Force to deflect heat-seeking missiles.

At Kafr Salim, near Nablus, troops shot and wounded an 18-year-old in the thigh during a stone-throwing clash with villagers.

In the Gaza Strip, six Palestinians were shot and wounded in clashes with troops.

An 18-year-old was wounded in a mass demonstration after troops demolished one house and sealed two other houses in Jabalya.

Three people were wounded in Khan Yunus, according to Palestinian sources. IDF spokesman put the number at one. Two were reported wounded in the al-Shati' refugee camp.

A curfew remained in force in Dayr al-Balah and al-Maghazi refugee camp.

The Judea and Samaria Civil Administration announced that, in view of the difficult economic situation in the area, it would suspend fines on outstanding tax-debts for a period of a month.

The drop in the value of both the sheqel and the Jordanian dinar have aggravated conditions in the West Bank, already hard-hit by the uprising and the economic

crisis in Jordan. The decline of the dinar in the West Bank is widely attributed to the increased demand for sheqels needed to pay taxes collected by the Civil Administration.

Andy Court adds:

The police arrested six girls, all about 10 years old, who tried to block a road in Jerusalem's Shu'afat quarter yesterday, according to police spokesman Rafi Levi.

A petrol bomb was thrown but did not hit a taxi near the Rockefeller Museum yesterday afternoon.

Police fired tear gas at stone-throwers near al-Muqasid Hospital on the Mount of Olives and in Shu'afat, Levy said.

Bank of Israel Official Gives 1989 Projections
44230047 Tel Aviv HA'ARETZ (*Economic Supplement*)
in Hebrew 28 Dec 88 p 15

[Interview with Mordekhay Frankel by Eytan Evre'el in Jerusalem—date not given]

[Text] Mordekhay Frankel is a veteran at the Bank of Israel, having started working there some 25 years ago. He came up through the research department of the central bank, and also managed that department until about a year ago. He has since been appointed by Mikha'el Bruno, the governor of the Bank of Israel, as a member of the limited administration of the bank. Frankel is currently responsible for the research department and the foreign currency department at the bank. He is very close to Mikha'el Bruno, and is in fact the number two person at the Bank of Israel. Frankel (who is better known by his nickname, Meme) was one of the members of the team that crystallized the plan to curb inflation in July 1985.

It is said at the Bank of Israel that since February, Frankel has favored an accompanying devaluation in the package deal. At the bank, the absence of a devaluation is blamed on Moshe Nisim, the Minister of Finance. In any case, relations between the Ministry of Finance and the Bank of Israel have soured considerably against this background, and following the general slow-down in the economy.

The interview was conducted in Frankel's office, on the top floor of the Bank of Israel building. Frankel expresses himself freely, at times in spite of the chagrin of the bank spokesman who was present during the conversation.

[HA'ARETZ] At the beginning of the year, there were expectations for a good year. What happened?

[Frankel] The year 1988 was not a good year for the Israeli economy. Instead of advancing in 1988, we regressed in certain areas. However, it cannot be said

that we are in such a difficult situation as to not see how to become extricated from it. In the area of inflation, for example, this year was similar to last year.

[HA'ARETZ] But in the last 3 months, inflation increased to an annual rate of 25 percent.

[Frankel] I do not accept this claim. We must not look at just 1 or 2 months. Nonetheless, the situation is bad. Inflation is indeed as it was last year, but it should be remembered that there was a devaluation last year, and that this year there was an economic depression, which was supposed to reduce inflation. Thus, when comparing the last 2 years, we would really need [to wait until the end of] this year before a decline in inflation becomes evident. A phenomenon causing concern is the freeze in economic activity since the end of 1987. I would even say that this is an economic depression.

Contrary to the economic forecast at the start of the year, activity did not increase. True, there was the intifadah [uprising] and the riots; and tourism, the construction, branch and other branches, such as textiles, were damaged. But the can intifadah by itself explain the 1.5-percent decline in production. We were supposed to grow by approximately 5 percent. Thus, there is an additional gap between forecasted growth and actual growth.

When one examines which activity in the economy was particularly disappointing, and which activity contributed to the slowdown in economic activity, it is clear that it is exports. Exports rested on their laurels instead of growing, and the reasons are clear: The ability of our exports to compete is in continual decline. After the program of 1985, wages—which I measure as wages per production output unit—rose considerably.

During 1987, we succeeded in preserving the stability of wages by means of a devaluation, however at the end of 1987, real wages rose again significantly. Investments declined considerably, both as a result of the riots, and as a result of the great uncertainty regarding economic activity. People do not invest when the economic situation is unclear.

[HA'ARETZ] Are you saying that a long-range economic program should have been put into operation?

[Frankel] I think that every period requires an economic program which accords with the order of priorities in the economy. In the previous year, it was necessary to take economic measures to increase the competitiveness of exports, and we spoke about this with the Ministry of Finance more than once during the year. If matters had been implemented, we would not be seeing such a serious slowdown in exports.

[HA'ARETZ] Do you mean a devaluation?

[Frankel] We suggested to the Ministry of Finance on more than one occasion that measures were needed. There is a dilemma here: On the one hand, it is undesirable to take measures whenever there is a wage increase, because this accelerates inflation and neutralizes the moderating influence of a frozen exchange rate in the economy. On the other hand, one should not proceed with one's head in the sand. We took measures at the beginning of 1987, which included a devaluation and complementary steps, such as delaying the cost of living increment, and reducing the cost of social security payments made by employers. It is not necessary to wait another decade when our rate of inflation is so much higher than that of the countries with which we trade. A devaluation should be implemented whenever there is a need for it.

If we refrain any longer from making these corrections, we will pay dearly. We will pay with a decline in imports and economic activity, and I would say that the loss of tourism in the last period also forms part of this issue. If we had done what was needed in a timely fashion, no one would now be expecting a devaluation, the reserve would not be diminished, and there would be no need to raise the interest rate. It would be possible to continue the process of lowering the interest rate.

[HA'ARETZ] In February, the Ministry of Finance was considering the implementation of a creeping devaluation by linking the sheqel to the dollar. Why was this not done?

[Frankel] We considered implementing this measure several times. The exchange rate is the anchor of the level of prices. Therefore, it is necessary to give the exchange rate maximal credibility. The Ministry of Finance suggested the determination of a dollar linkage floor; when the dollar declines, a devaluation would be carried out in relation to European currencies; when the dollar becomes stronger, nothing would be done. This is not credible, and would not even help. The Ministry of Finance suggested implementing a devaluation in a period in which the economy was fully employed, and a step such as this was intended only to curb inflation. If a devaluation is implemented, it should be done in the form of complementary measures, such as a package deal. In addition, the devaluation suggested by the Ministry of Finance would not have been controlled, and its timing and size would actually have been determined by world financial markets. Finally, the Bank of Israel opposed the implementation of something which was neither credible nor controlled.

[HA'ARETZ] How did interest rates rise despite the policy of the Bank of Israel during the last 2 months?

[Frankel] First of all, interest rates declined during the year by approximately 15 percent. What happened in the last 2 months is an unsuccessful case. If everything had been handled properly, the public would not have developed expectations of a devaluation. As a result of these

expectations, the public, since July, and more strongly since October, has been acquiring foreign currency in large quantities. This in itself dried up the liquidity system and raised interest rates. The Bank of Israel had to decide whether to channel money and prevent an increase in interest rates, or to limit money sources and cause a steep increase in the price of money.

[HA'ARETZ] You chose an intermediate course.

[Frankel] It would not have been responsible to supply the necessary liquidity for the acquisition of foreign currency. Therefore we brought about a controlled increase in the interest rate. Central bankers even told us that we did not allow the interest rate to go high enough.

[HA'ARETZ] It is claimed that through this intermediate course, the bank struck out twice: The interest rate increased, and reserves were also diminished.

[Frankel] This is an inaccurate economic calculation. The private sector carried out an adjustment in its assets portfolio in accordance with its expectations. In the last 2 months, approximately \$1.5 billion was acquired, and the process was stopped to a large degree as a result of the increase in the interest rate.

[HA'ARETZ] It is claimed that the Bank of Israel is behaving in a dogmatic manner regarding linkages [of the sheqel to foreign currency values]. Why not bring back the local resident foreign currency current account?

[Frankel] There is broad agreement that short-term linkage of money is very undesirable. The cancellation of the local resident foreign currency account was done with the blessing of all outstanding economists. The local resident foreign currency account would perhaps prevent the decline of reserves, but it would introduce linked money to the system again, and this is one of the central factors which accelerates inflation.

[HA'ARETZ] An economic plan is being prepared in the Bank of Israel. What are its fundamental lines?

[Frankel] The plan has macroeconomic parts, such as measures to curb inflation and measures intended to renew economic activity. These measures are applicable immediately, and their influence ranges from 1 to 1 and 1/2 years, at the end of which they are fully expressed. Likewise, there are suggestions for structural changes in the economy. Some of these changes require legislative processes and are designed for the long term, such as the recommendations of the Shisinski committee, changes in the functioning of the capital market, changes in the methods for determining wages, and changes in the minimum wage law.

[HA'ARETZ] These principles are being discussed at the Ministry of Finance as well. Why was this not been done until now?

[Frankel] You need to ask the Ministry of Finance about this. The Bank of Israel is only responsible for monetary policy on the operational side. The Ministry of Finance is the body which must apply these matters.

[HA'ARETZ] According to the plan, will 1989 be a transition year?

[Frankel] Yes, but it should be remembered that the plan includes new measures, and it is not clear to what extent the new government is prepared to adopt them. I am optimistic regarding the possibility of bringing the economy back to a growth course, but this is not to say that I am sure this will happen, because the new government must demonstrate the extent of its boldness in taking the necessary measures, and in leading the economy toward a course of growth. The year 1989 requires considerable strictness in the budgetary area, and we would want to see a government budget which is absolutely balanced.

[HA'ARETZ] Let us assume that the plan is approved, and the measures are implemented. How would 1989 look?

[Frankel] It would still not look good. There are many measures whose full expression takes more than a year. It is not possible to increase exports immediately. The year 1989 could look better than 1988, but the full effect of the measures will be felt only in 1990.

[HA'ARETZ] How is it possible to solve the problem of the kibbutzes?

[Frankel] Kibbutzes are different from industrial factories. Factories can be closed when there is no alternative; this is not so in the case of kibbutzes. A recovery plan must be prepared for the kibbutzes which combines spreading out debts, cancelling debts, and governmental channeling. It is understood that the kibbutzes must demonstrate that they are making every possible effort to become efficient. They will also need to purchase real estate, such as buildings and property in the Tel Aviv area, and they must lower their standard of living.

Incidentally, it is incorrect to say that the growth in the debts of the kibbutzes began only after the economic program and that it stemmed from the increase in the interest rate. The phenomenon began earlier, when investments were made to accommodate the new housing situation created when children and parents began living together in the same housing units, and when other consumptive investments were made in such items as swimming pools. The leadership of the kibbutzes did not have the power to curb these demands. Consequently, many kibbutzes made enormous investments which were financed by a large increase in borrowing. The debts of the kibbutzes were created in large measure by incorrect management in the areas of consumption and

investments, and because of all types of complications such as the Blas and Rieger-Fishman episodes. Also, some of the factories were badly managed, such as Tishlovet Milu'ot.

[HA'ARETZ] Following the redemption of bank shares, what will the fate of the banks be?

[Frankel] As a result of the agreement, the Government of Israel will change the owners of the bank corporations. Inasmuch as it is unclear that the government will succeed in selling the banks in an expeditious fashion, it is necessary to decide what is to be done in the interim.

When we received the bill formulated by the Ministry of Finance, we were surprised to find that it differed from what was agreed on in discussions in which the Bank of Israel participated regarding the manner by which directors are appointed. It is very important to potential buyers, be they from abroad or from Israel, that the banks not be identified with the government. It is prohibited for the minister of finance to make the appointments. In governmental factories as well, one sees that appointments have been political on more than one occasion. The Bank of Israel demands that the decision of the steering committee be approved, and that the directors of the banks be selected by a committee composed of a Supreme Court judge, the state comptroller, and an additional representative acceptable to the Bank of Israel and the Ministry of Finance.

We in the Bank of Israel believe that it is necessary to take advantage of the opportunity for bank shares to be in the hands of the state in order to increase competition through the breakup of the large banking concerns.

JORDAN

Editorial Criticizes Government Austerity Measures

44000284 Amman JORDAN TIMES in English
11 Jan 89 p 4

[Text] In a column published in Al Dustour Tuesday, economics columnist 'Abdallah Malaki warned from going overboard with talk about economic austerity measures and belt-tightening to curb current public spending.

The writer argued that the government was going too far in carrying out some belt-tightening measures such as restricting the use of government vehicles.

"It is quite disturbing for me to see that things have reached the point of operating patrol cars on holidays to apprehend those who use government cars, including ministry under secretaries or secretaries general," Malaki wrote.

He pointed out that the Kingdom's total expenditure stood at 1,035 million Jordanian Dinars (JD) of which 66.5 percent are current spending for consumer items and services. He said this percentage amounts to 688.9 millionJD of total spending compared to 661 millionJD the government spent last year, an increase of only 4.3 percent.

He said that compared to previous years, the increase in spending was modest. However, the columnist added, revenues cannot cope with this spending "which shows the nature of the present financial dilemma."

Spending, he said, was distributed on 95 items on the budget with most items maintaining allocations similar to those of last year's budget with slight differences. The items that witnessed significant changes include the Ministry of Health budget (11 millionJD less), armed forces, public security and civil defence allocations (4.5 millionJD lower) standing at 251.5 millionJD. Refugee relief allocations declined from 3 millionJD to one million and allocations to subsidise basic farm products and industrial exports fell from 12 millionJD to 6 millionJD.

The large increases, he noted, were given to medical treatment institutions, going up from 5 millionJD to 25 millionJD. Interest on internal and external borrowing increased from 93 to 108 millionJD. Pension allocations increased from 62 millionJD to 74 millionJD, and the radio and television budget was increased by 1.5 millionJD.

"It is clear that the structure of current spending does not enjoy the flexibility that allows for a squeeze on spending as officials and citizens would like," Malaki remarked.

KUWAIT

Borders of Governorates Defined

44000283 Kuwait ARAB TIMES in English
5-6 Jan 89 p 4

[Text] The Interior Minister, Shaykh Salim al-Sabah issued a decision yesterday defining the administrative borders of the five governorates of Kuwait. The five governorates are the capital, Hawalli, al-Farwaniyah, al-Jahrah and al-Ahmadi. A fifth governorate, Farwaniya, was established at the end of last year.

The capital governorate is bordered by the sea from the north and east. In the south it extends from the sea, in the east, down along the 3rd Ring Road till it meets the Magrib Road, still extending southward till the meeting of the 4th Ring Road with Magrib Street. The western border of the capital governorate extends from the crossing of Magrib Street with 4th Ring Road across the 4th Ring Road till it meets the al-Jahrah Road.

The Hawalli capital is bordered by the capital governorate from the north and from the sea in the east and runs southward till it meets the 7th Ring Road. In the south, it extends along the 7th Ring Road till it crosses with al-Safar Motorway. In the west, the border runs from the 7th Ring Road along the al-Safar Motorway till it meets the 4th Ring Road.

In the new governorate of al-Farwaniyah, the north is bordered by the line extending from the crossing of Magrib Road with the 4th Ring Road and along the 4th Ring Road to the west till it meets al-Jahrah Road. It further extends westward along the al-Jahrah Road till its crossing with al-Sulaybiyah Road. In the west, al-Farwaniyah borders begin from the crossing of al-Jahrah and al-Sulaybiyah roads and extends southward along al-Sulaybiyah Road till it meets 7th Ring road. In the south the border begins from the crossing of al-Sulaybiyah Road with 7th Ring Road along the 7th Ring Road till its crossing with al-Safar Motorway. While in the east the border is between 7th Ring Road and 4th Ring Road along al-Safar Motorway.

The borders of the al-Jahrah governorate extend from its borders with the capital, al-Farwaniyah and al-Ahmadi in the east and south to the international borders with Iraq in the north and the sea in the east and Iraq in the west.

The al-Ahmadi governorate runs south of the 7th Ring Road down till the Saudi borders and meets al-Jahrah borders in the east.

OMAN

Support for Non-OPEC Called by the State
44000299c Muscat TIMES OF OMAN in English
2 Feb 89 p 5

[Text] Oman has again voiced its readiness to cut oil exports in a bid to boost sagging prices in the world market.

Minister of Petroleum and Minerals, Sa'id Ibn Ahmad al-Shanfari said on Sunday that the non-OPEC group, of which the Sultanate is an active member, would call for a reduction in exports by producing countries at the next joint meeting with the cartel.

"Oman fully supports this idea," he said.

Technical experts from OPEC and non-member countries met in London last week to discuss measures to achieve market stability.

"They expressed a strong desire to cooperate to stabilise prices and to raise them to \$18 a barrel," he added.

Mr al-Shanfari said the recommendations of the London meeting would now be discussed by the Oil Ministers of OPEC and non-OPEC countries.

Mr al-Shanfari, who visited Soviet Union earlier this month, on Sunday held talks with Soviet Ambassador, Victor Possovaluk at the Ministry.

PDO [expansion unknown] managing director Mike Pink is expecting another year of "uncertainty and low prices" in the oil market.

In an article in the company's AL FAHAL newspaper, Mr Pink says:

"When the price crashed in 1986, there were predictions that it would recover, but it never did. Some soothsayers are still predicting recovery but it would be unwise to bank on it even following the welcome OPEC accord late last year.

"It is not unreasonable to expect that unsteady, fluctuating oil prices will be around a lot longer than we thought in 1986, maybe even until the end of this century."

"This means improving operating practices to remain profitable even if prices drop lower. We have already made much progress in these areas."

PLO Leader Held Press Conference

44000299a Muscat *TIMES OF OMAN* in English
2 Feb 89 p 11

[Text] The Chairman of the Palestine Liberation Organisation, Yasir 'Arafat left the Sultanate on Monday at the end of a three-day visit. While in Muscat he met His Majesty Sultan Qabus.

Earlier in the day Yasir 'Arafat held a press conference at Al-Ghabrah Guest House when he expressed his personal thanks and those of the Palestinian people to His Majesty for the kind invitation His Majesty had extended to him.

He called for an immediate Arab summit to discuss recent developments on the Palestinian issue and emphasised the need to hold the proposed international peace conference on the Middle East this year.

"We call for quick action to hold an Arab summit for drawing up a joint plan to discuss the latest Palestinian situation and to consolidate our gains," he said.

Mr 'Arafat said it was crucial to hold the planned peace conference this year and warned of an Israeli attempt to stall for time "at our cost."

"It is very important to hold it this year. There is an Israeli attempt to gain time," he said.

He added that the conference must be held before the new U.S. Administration got by with its internal problems.

He warned that the uprising would continue more vigorously if the conference failed to take place.

Mr 'Arafat said efforts were under way to set up a joint Arab committee comprising Lebanon, Syria, Jordan, Egypt and the PLO to co-ordinate steps to hold the meeting.

In reply to a question, he said the borders of the Palestinian state would be as mentioned in the UN resolutions.

Mr 'Arafat said he hoped the new U.S. Government would be more flexible and objective. "The Reagan Administration," he added, "was completely biased towards Israel and against the Palestinians and Arabs."

Initiative

Answering another question, Mr 'Arafat said the Soviet Union had taken an "unprecedented initiative" by recognising the independent state of Palestine.

He condemned Israel's "aggressive existence" posing a threat to all Arabs.

He said: "They (Israel) own 120 nuclear bombs meant to silence the uprising in Al Khaleel, Nablus and Jerusalem and to threaten the entire Arab world—six bombs for every Arab capital."

The PLO chief claimed that 54 percent of Israelis were in favour of opening a dialogue with the Palestinians "although the Israeli military junta was refusing" to take part in the peace process.

Embassy

On the opening of a Palestine Embassy in Muscat, Mr 'Arafat said he had left "the matter for His Majesty to decide according to his convenience."

He said his discussions with His Majesty covered a number of important topics including the Palestinian issue.

Thanking His Majesty and the Omani people for their support for Palestinian cause, he said:

"Soon we will pray together in the Holy Mosque in Jerusalem."

He was given a guard of honour by the Royal Oman Police and was seen off by Sayyid Thuwayni ibn Shihab the Personal Representative of His Majesty the Sultan.

Also present at the Royal Airport to say farewell to the PLO leader were Ministers, senior Sultan's Armed Forces and Royal Oman Police officers and Ambassadors of Arab countries.

The Sultan Issued a Law

44000299b Muscat *TIMES OF OMAN* in English
2 Feb 89 pp 3 & 5

[Text] The collection and publication of statistical data in the Sultanate of Oman is now to be governed by the provision in a new law which has just been promulgated.

The law is contained in a Royal Decree issued by His Majesty Sultan Qabus.

General Census

The decree provides that a special Royal Decree would be issued for holding a general census of the population in the Sultanate. The special decree would specify the dates and the necessary procedure for the census.

However, despite this, statistical surveys may be conducted to serve the purpose of economic development. This would be done in accordance with a plan of action formulated by the Directorate-General of National Statistics and approved by the Development Council.

Under the terms of the decree, the Directorate-General will be responsible for the collection and publication of statistical data and surveys and also the census, in accordance with an annual plan of action. The information will be unified, coordinated, analysed and published by the Directorate-General.

Publications

The Royal Decree orders that the Directorate-General will issue four kinds of publications:

- (a) An annual book of national statistics, containing all the available statistical data which is significant for the nation's economic and social development. Another purpose of the book would be to introduce the progress achieved in various domains.
- (b) A quarterly bulletin which will incorporate the most essential statistical indicators.
- (c) Any other specific bulletins required to be issued on a periodical basis.
- (d) Bulletins, containing the results of the statistical surveys carried out to be issued on a non-periodical basis.

Exemptions

The new law, however, allows Government organisations to collect and publish statistical data which is connected with internal matters which come under their respective jurisdictions.

This has to be done in co-ordination with Directorate-General of National Statistics which will be provided with copies of the above data.

Another exemption given by the law is to companies and establishments. They are permitted to conduct statistical surveys by the sample system in the fields connected with the marketing of their products and related subjects. Before doing so, they must obtain the approval of the Directorate-General of National Statistics.

His permission is also required for the publication of statistical data collected as a result of these surveys.

Copies of the data are also to be provided to the Directorate-General.

Compulsory

The new Statistical Law contains an extremely important provision.

It says that all Government organisations, companies, establishments and individuals are under obligation to submit the entire data needed by the Directorate-General.

They are also obliged to co-operate with it in completing the data in the most adequate manner.

They must submit the data, which truly reflects the reality, on the dates fixed by the Directorate-General and by the method specified by it.

The Ministry of Defence and other security authorities, excluding the customs, have been exempted by the Law from submitting the data, except those permitted by them by special permission given in writing.

The law also provides that if public security authorities are asked by those carrying out the census to extend their help, they will do so in order to ensure that their (census men's) duties are performed properly.

The law provides for six months' imprisonment or/and a fine of RO 500 for five categories of people. Those disclosing confidential data related to individuals, those obtaining such data, those publishing them, those who help their publication and those who intentionally obstruct the collection of statistics.

The law also provides penalties for persons who refuse to provide the required data or give wrong information.

The maximum penalties are three months' imprisonment and RO 300 in fine.

Failure to submit the required data in time is equal to refusal, under the terms of the law, unless there is sufficient justification for belated submission.

Accord To Strengthen Trade Ties With Iran Reached

44000293b Muscat *TIMES OF OMAN* in English
5 Jan 89 p 4

[Text] Iran and Oman agreed last week to form a joint economic-industrial commission and try to boost trade, Iran's Irna news agency said.

The accord was reached at the end of a two-day visit to Iran by a trade team headed by Omani Minister of Commerce and Industry Salim ibn-'Abdallah al Ghazali.

The commission will meet in Muscat in early March and then once a year alternately there or in Tehran, said Irna.

Mr Ghazali signed the agreement with Iranian Minister of Heavy Industries Behzad Nabavi and also met President 'Ali-Khamene'i.

Mr Ghazali expressed satisfaction with his visit and said the commission would review trade as well as industrial and economic ties, Irna said.

An Omani delegation would visit Tehran within weeks to discuss industrial possibilities there. An Iranian team would make a return visit to Oman.

Meetings

Mr Ghazali met Khamene'i, Prime Minister Hoseyn Musavi, Industries Minister Gholam Reza Shafe'i, Acting Commerce Minister Abdol-Hoseyn Vahhani and other senior leaders while in Tehran.

Before leaving the Iranian capital, he said the commission will review commercial issues as well as economic and industrial co-operation.

The Iranians are seeking aid for their massive post-war reconstruction programme. Oman is trying to diversify its economy.

Irna said a team of Omani experts will visit Tehran in the next few weeks to investigate Iran's industrial possibilities. An Iranian delegation was scheduled to go to Oman before April next year.

The Iranians will also stage an industrial exhibition displaying export product in Muscat.

Promotion of Economic Integration Discussed

44000290 Muscat *TIMES OF OMAN* in English
19 Jan 89 p 1, 2

[Article by Meena Ganjvr]

[Text] The 15th meeting of the Federation of Arab Gulf Chambers [FAGC] opened in Muscat on Tuesday with a call by its chairman Maqbul 'Ali Sultan for the dismantling of barriers to investment and trade among Arab Gulf States.

Mr Maqbul 'Ali Sultan, who is the President of the Oman chamber of Commerce and Industry, told delegates that businessmen in the Gulf countries were attaching great importance to the meeting as the Federation had a significant role to play in boosting economic activities in the member countries.

He emphasised the Federation's role in promoting commercial exchanges and mutual co-operation between the manufacturing sector in the member countries with a view to achieving economic integration.

The two-day meeting was attended by delegates from the Chambers of Commerce and Industry from Saudi Arabia, Qatar, Bahrain, Kuwait, UAE and Iraq, besides Oman.

Muhammad 'Abdallah al Mulla, Secretary General of the FAGC said the Federation's programme of action for this year would lay emphasis on eliminating problems obstructing the efforts of the private sector in playing a pioneering role.

He said the Federation planned to jointly conduct various studies with the national chambers.

The first study, the Secretary General said, would be to identify the obstacles to the flow of commodities and services through border posts.

Earlier, welcoming the delegates, Mr Maqbul 'Ali Sultan said that the region had seen a series of constructive developments, both political and economic, during the past year.

"These include the cessation of the Iraq-Iran war which has opened the way for increased economic links between the nations."

He also pointed out the continued efforts of the AGCC [Arab Gulf Cooperation Council] leaders at the Bahrain summit to carry out the outstanding provisions of Unified Economic Agreement, widen the spheres of investment and remove the hurdles to economic and commercial activities.

He said because of the changing international economic situation the countries in the region had realised the need and were making efforts towards diversification of revenue sources and greater self-reliance.

"We are more optimistic about the future of the region and of the Arab nation, as the World Bank estimates said that the Arab economy had achieved 40 percent growth in 1987 which is higher than the world average of 30 percent."

Mr Maqbul 'Ali Sultan noted that Arab exports had grown at the rate of 11 percent, but the problem of debts continued to be cause of worry.

Iraq

This was the Federation's first meeting since the end of the Iran-Iraq war and a delegation from the FAGC visited Iraq recently to find out the role the private sector in the AGCC countries could play in the reconstruction activities in the war-torn country.

The FAGC Secretary-General said the visit organised by the Federation jointly with the General Federation of Iraqi Chambers, provided an opportunity to consider the projects for the post-war reconstruction and exploring the possibility of participating in these projects.

The Secretary-General said that the federation was confident that the spirit of seriousness and sacrifice which characterises the Omani citizen would enable Oman to become the gateway to the Gulf.

The meeting headed by Hasan Zayn-al-'Abidin, Vice President of the Bahrain Chamber of Commerce and Industry, was the first after the Bahrain Summit.

It was to discuss the economic decisions taken at the Summit concerning the private sector. It was also to debate the problems faced by the private sector in these countries and devise ways and means to support it.

Rise in Deficit Forecast for 1989

44000293a Muscat TIMES OF OMAN in English
5 Jan 89 p 1, 3, 5

[Text] Oman's budget deficit is expected to reach RO 408 million this year, almost double of that the year before.

The budget revenue during 1989 is expected to fall sharply to RO 1.209 billion largely due to declining oil prices in the world market.

Deputy Prime Minister for Financial and Economic Affairs Qays Ibn 'Abd-al-Mun'im al-Zawawi said that "because of falling oil prices worldwide, the country has taken precautionary measures in forecasting the State Budget."

Oman has forecast that its 1989 budget deficit will be almost twice as high as in 1988 because of falling oil revenues and higher spending.

Deputy Prime Minister for Financial and Economic Affairs, Qays Ibn 'Abd-al-Mun'im al-Zawawi, quoted by the Oman News Agency, estimated the deficit at RO 408 million (\$1.07 billion) compared with the projected RO 194 million (\$505 million) in 1988.

"Because of falling oil prices worldwide, the country has taken precautionary measures in forecasting the state budget," he said.

The budget estimated revenues at RO 1.209 billion (\$3.148 billion) sharply down from last year's RO 1.35 billion (\$3.516 billion).

Oman, which produces about half a million barrels of oil a day, said 75 percent of its income would come from oil revenues against 79 percent last year.

Spending was put at RO 1.617 billion (\$4.21 billion), slightly up from RO 1.60 billion (\$4.17 billion).

Mr al-Zawawi said Oman hoped to borrow RO 70 million (\$181 million) on the international loan markets and would continue to issue treasury bonds, started in 1977.

He said new development projects in 1989 would cost about RO 163 million (\$424 million).

Reduction

Mr al-Zawawi said he expected that current expenses would be reduced by 3.5 percent.

He said reduction in current expenditures would be balanced by an increase in capital expenditure.

It had been decided to increase this by RO 363 million reflecting the efforts of the government to activate the country's economy.

He said it had been decided that the rate of increase in civil development expenditures for the Ministries and the government's share in the expenditures of the Petroleum Development Oman, would be 33 percent.

On development projects, he said that the plan included new projects whose implementation would start in 1989. They would cost about RO 163 million. He said the projects were part of the third Five Year Plan, approved by the state.

Mr al-Zawawi added the state budget also included sums to fund the specialised banks, such as the Oman Housing Bank, the Oman Development Bank, and the Oman Bank for Agriculture and Fisheries, as well as to finance the industrial sector by providing easy term loans.

Oil Prices

He said that as the budget came in the shadow of continually falling oil prices—and prices had begun to fall again in the middle of 1988—and confusion over the price that would be established in 1989. Because of the current glut in the world oil market, care was taken in estimating oil revenues for 1989.

On the national income, he said government revenues from the 1989 budgets amounted to 75 percent coming from oil, and 25 percent from electricity, water, taxes and capital returns.

On the size of foreign loans and the extent to which the Sultanate adhered to repaying them in time. Mr al-Zawawi said that the Sultanate had a very good reputation and it was regular in paying the interest and installments according to schedule. The Sultanate, he said, had the trust of all banks and financial institutions.

He said Oman was going to the development funds and financial establishments in order to obtain financial backing according to an annual easy term loan programme. He said Oman did not resort to borrowing until it had exhausted all other options.

On the current Omani economic situation, Mr al-Zawawi said that as a result of the policies adopted in 1986 and 1987, local production had improved greatly in 1987. With regard to 1988, the non-oil sectors are expected to improve greatly compared with the oil sector and whose contribution to local production had been reduced as a result of the decrease in world oil prices.

On Omanisation, he said a specialised committee had been set up by the ministerial council to make a comprehensive plan.

SYRIA

National Institute for Planning Neglects Research Areas

44040230 Damascus AL-THAWRAH in Arabic
29 Dec 88 p 7

[Article by Q. B.: "Institute for Economic and Social Development Planning: A Quick Reading of the Reality and a Reminder of the Decree Creating It"]

[Text] If planning is a fundamental method for exiting from the circle of backwardness, thus realizing social, economic, and cultural transformations that set society on a course of comprehensive and integrated development, it is in its essence consciousness, design, organization, coordination, and implementation. From time to time we stand contemplating planning in the country and speaking about its merits, goals, and the obstacles that impede it, but we forget or neglect a matter of extreme importance: How are we to prepare cadres to lead this operation—effective leadership cadres, not

emotional, marginal ones? We also forget the importance of the existence of scientific research and studies centers to prepare development plans and create planning consciousness.

The Institute for Economic and Social Development Planning under the State Planning Organization refreshes our memory and that of concerned persons when we reread the decree creating it issued in 1966, i.e., 22 years ago. What does the decree say?

Its second paragraph contains the following:

"The institute undertakes the preparation of planning specialists and conducts scientific research and studies related to preparing economic and social development plans and developing planning consciousness.

"In order to realize these goals, the following functions have been defined for the institute:

1. Holding regular study and training courses in planning and related matters;
2. Holding training courses for employees of ministries, agencies, and public and private establishments to train them in matters of application connected with national plans and the pursuit of their implementation;
3. Undertaking research and studies related to economic and social planning
4. Publishing research and compiling and translating planning books and reference materials;
5. Offering advice and assistance in plan preparation and in proposing suitable policies for plan implementation;
6. Holding planning conferences, debates, and symposia and participating in such conferences, debates, and symposia held within the country and abroad;
7. Sending study missions abroad for specialized study and training in planning, and exchanging students and professors with Arab and foreign countries.

These are the functions for which the institute was established. What is the real state of affairs?

Two Functions, One Missing

Looking at the goals that the decree defined, we find that the institute has a large role in the planning process at the national level, embodied in the following two functions: 1. Training qualified cadres, and 2. Research and studies.

What is really surprising and disturbing is that the second function, despite its importance and the danger of its neglect, has been utterly nonexistent during the institute's near quarter century of life. As much as we try to browse through its old papers, we encounter no traces of such a function. The institute's present administration

even told us that the institute or its professors had never been charged with this matter. Nevertheless, the administration was determined to implement it in the coming year—or, to speak more precisely, it would try.

Implied by this function in the research area are other functions that would make the institute a "house of experience and wisdom," as specified by Paragraph 5, above.

Unfortunately, this will not exist as long as the foundation is missing. Paragraph 5, in other words, has not been implemented. Rarely do the institute's professors participate in the State Planning Organization's planning committees.

Turning to the last two paragraphs about the institute's functions (Paragraphs 6 and 7), we find that the real state of affairs is quite another matter. There is little participation in international symposia and conferences or in sending study missions abroad.

Of the seven points that define the institute's functions, what remains in actual fact are Paragraphs 1 and 2—those connected with the function of qualifying cadres in the planning area. These are the two functions that we will discuss in detail with the institute's administration in what follows.

The State of Planning Departments

To begin, we point out that planning administrations or departments in ministries, organizations, agencies, and provinces are present in the organizational structure. However, do they carry out their role? Are they scientifically qualified, or are they formalities that know everything but planning?

We may say in general that these administrations and departments carry out a small and insignificant portion of their role. Their right to lead the planning process has been usurped, impeded, or misunderstood. The head of this department is often appointed from those out of favor, so that we can satisfy them and feel satisfied ourselves. (Profound apologies for the few exceptions; they can be counted on the fingers of one hand!)

In our view, the institute was not established to entrench this state of affairs. On the contrary, it was established to rouse it from its slumber and breathe life into it. Did it succeed in the task?

In fact, when we think of preparing cadres for the planning process, we must take into consideration a number of things completely different from other preparing and qualification courses. For example, we must carefully select a cadre specialized in economic and social science, so as to be in keeping with the goal, which is qualification in comprehensive and successful planning. We must not be satisfied with teaching courses we have taught for dozens of years. Why? Because as we

start from comprehensive national development plans, we want exact scientific information serving the country's current and future development requirements, and because we want the trainee to perform his role in his work place without there being a gap between theoretical studies and practical reality.

This demands the enrichment of theoretical studies with more practical investigations; and this is a role that brings us back to the institute's second function. This, however, does not excuse the trainee or student in the institute from his role in carrying out research appropriate to his work in his agency or department.

Short Courses

Naturally, we do not hold the institute responsible for the current state of planning departments. We do, however, hold it responsible for carrying out its role within its current resources. What does the administration of the institute say?

[Dr Zuhdi Sattas, dean of the institute] We share your view that the institute is not carrying out its job in the area of research and studies. However, it is carrying out its role very thoroughly in the job of qualifying cadres. We are constantly striving to launch ambitious plans within the general goals of the institute. We have a plan for 1989 and an ambitious design for the future.

[AL-THAWRAH] What about the present?

[Sattas] In fact, we run two kinds of courses:

1. regular long study and training courses, and
2. short training courses.

Employees of ministries and public agencies and organizations participate in these courses. This requires that they be assigned to the institute and given a full release.

[AL-THAWRAH] What are the areas of the short courses?

[Sattas] Their areas are broad. Their goals are to train employees in applied matters related to plans in a specific area and to follow-up of their implementation. They last several weeks, depending on their programs and goals. Courses that the institute has conducted in the past include:

1. Planning Industrial Projects;
2. Production, Planning, and Administration Directors' Course;
3. Economic and Financial Surveillance;
4. Agricultural Cost Accounting;

5. Electrical Power Programming;
6. Advanced Planning Methods;
7. Planning To Incorporate Women in Development;
8. Planning and Developing Human Resources;
9. Transportation and Communications Planning; 10. Rural Development.

There are dozens of other specialized short courses bearing important and interesting titles related to the development activity we are trying to carry out.

Regular Courses

[AL-THAWRAH] What about the regular study courses?

[Sattas] The institute's regular courses last 1 and ½ years. The institute administration annually announces their commencement on 18 December, and they last for 18 continuous months. Each course is divided into two main courses:

1. A general planning course, and
2. A specialization course.

[AL-THAWRAH] What are the branches of specialization?

[Sattas] The institute's administration cannot define in advance the branches of specialization each year, since that is connected on the one hand to the degrees that the general planning course students possess and on the other hand to their desires.

This year, three sections were opened:

1. Agricultural planning and administration
2. Financial and commercial planning
3. Work force planning.

In previous years, other sections beside these were taught. The most important were:

1. Industrial planning and administration
2. Regional and local planning and service administration.

After completing the specialized course, the student presents a graduation project and takes an examination. He then receives a specialized diploma.

[AL-THAWRAH] What diplomas are initially required for these regular courses?

[Sattas] University degrees in various branches of economics and engineering are accepted, including agriculture, law, political science, and geography, with no grade requirement. However, the applicant must not be over 45 years of age, and a 60 percent continuance is required.

The institute has room for around 50 to 55 men and women students, of whom about 32 graduate every year with a diploma in planning.

Obstacles

[AL-THAWRAH] During our tour of the institute, certain obstacles to the progress of instruction in it became clear to us. These obstacles centered around the relation of institute-affiliated students to their departments of employment. These obstacles adversely affect the interest that students who are state employees take in studying at the institute and discourage their continued interest, as long as these obstacles remain. These include:

1. Some departments and agencies resort to cutting part of the salary of their employees who are assigned to the institute while they are studying there, such as compensation for specialization and nature of work. This conflicts with Section 14 of the decree creating the institute.
2. As for graduates, some agencies interpret the Standardized Workers Law as they please and do not grant extra rank to graduates, on the pretext that the law was issued after the student was graduated, or on some other pretext. This happens despite the fact that under the decree creating the institute, graduates were granted 9 percent of their salary, and that under the Standardized Workers Law, the extra grade was set at 5 percent of salary.
3. Students are required to prepare a thesis at the end of their studies. Although preparation and printing expenses for this amount to about 5,000 Syrian pounds, the institute administration can grant students only about 300 pounds. This necessitates reconsideration of this sum.

Ambitions

For its part, the institute administration did not deny the obstacles to students' engaging in research and study or the difficulties that some students have with their administrations. It stated that the institute offered many services to its affiliates. Students were assured daily transportation from the city center to the institute and back. There was a rich library, able professors, and a language laboratory.

As for the institute's ambitions, Dr Sattas, the institute's director, hopes to move in two directions:

[Sattas] The first direction focuses on the institute's role in really serving the needs of various departments in all sectors in the country. The institute has coordinated with

the National Planning Organization and has sent special questionnaires to all ministries. The response was good. The ministries sent their replies to the institute, which will study them in order to begin courses that will serve our plans and ambitions and parallel the regular courses.

The second direction focuses on the institute's role in graduating students for the Arab countries. It has already graduated a number of students from Yemen, Jordan, and Egypt.

An encouraging sign in this direction is the fact that some Arab countries have asked to send students to the institute—particularly the Yemen Arab Republic. A delegation from the latter recently visited the institute and expressed its satisfaction at the specializations to be found in it.

[AL-THAWRAH] These are the institute's ambitions. What about the plan for the new year? Have you touched on part of it?

1989 Plan

[Sattas] The institute's 1989 plan includes holding the following short courses:

1. A 3-week course in economic feasibility for employees of all ministries and relevant organizations, especially those with a background in development planning and work
2. A 1-month course in regional planning for provincial planning heads or directors, with concentration on the importance of regional planning as an important part of the country's comprehensive planning
3. A brief 2-week course in social planning for employees from the Information Ministry, the Journalists' Union, the Women's Union, and the Labor Union, with concentration on implanting social values consistent with modernization and progress—e.g., respect for time, respect for knowledge, punctuality, etc.
4. A 2-week course in agricultural planning at the unit or organization level
5. A 2-week course in agricultural and food security planning for those involved in agricultural planning from agricultural planning departments and representatives of state farms, with the aim of learning the relation between agricultural planning and food production, in order to achieve food security at the national level
6. A 2-week course in social, cultural, and health planning, focusing on the subjects of cultural and health services and how to compute planning indicators for them, and with participation of the relevant ministries;
7. A 1-month course on characteristics of the national economy

for employees of various planning departments, especially the State Planning Organization, the Central Statistics Bureau, the Finance Ministry, and the Economy Ministry 8. A 2-week general planning course focusing on internal trade for employees of the Ministry of Supply.

In addition to these courses, the plan for the new year includes the holding of conferences with the participation of professors, either in the institute's headquarters or at the Arab Cultural Center in Damascus, at the rate of one conference a month.

If we ask what is new in this plan, we find that it is new insofar as it programs for a full year. Previously, no plan was laid out for short courses; room was left for them depending on cooperation with regional and international organizations and agencies, and depending on circumstances.

The case was the same for monthly conferences. The institute's administration says that it will implement them on a monthly basis by professors of the institute or in conjunction with university professors or specialists in various ministries and agencies. This in itself is new.

One of the professors commented jokingly about this plan, "We are a planning institute. We know how to plan in all areas, but we do not plan for ourselves. Will we succeed this year in breaking the rule?"

Finally

Finally, we return to the subject with which we began, in order to stress that, in addition to its teaching function, the institute should be given back its full role of research and study and of participating in international planning conferences. As long as the government applies comprehensive planning in order to reach the overall goals of progress and modernizing the country, the institute must be supported, encouraged, and revitalized, so that it realizes its ambitions. Thus, its role will be to take initiative and be creative, rather than being the role of a routine bureaucracy that carries out its duty as if it were merely killing time.

TUNISIA

Parliamentary Election Race Assessed

45040172 London AL-MAJALLAH in Arabic
11-17 Jan 89 p 21

[Text] The election campaign in Tunisia started early in an unpublicized manner. Some 3 months prior to the first general legislative and presidential election consultation in Tunisia, following the 7 November 1987 change the contestants seem to have placed themselves at the starting line, the sole objective being winning the largest number of seats in parliament. Therefore, there will hardly be any contest for the presidential election and perhaps there will be no contest at all as long as all

the legitimate opposition parties and even the unauthorized parties have decided not to compete with President Zine El Abidine Ben Ali as "representing a general consensus" and "out of gratitude to him for having saved the country from what was lying in store for it had former President Habib Bourguiba's rule continued." Moreover, nobody will be able to stand against the head of state in view of the fact that the obstacle placed before candidacy, set during the previous president's regime, has remained high and is impossible to cross. In view of the fact that entering the presidential election costs 5,000 Tunisian dinars (\$6,000) as a guarantee of seriousness and since this amount is reimbursed only if the candidate obtains a minimum of 5 percent of the votes, the condition that a candidate should be proposed by 30 parliamentarians or mayors seems impossible to meet because all the deputies and mayors come from the ruling PSD [Destourian Socialist Party] party. Yet it remains possible, at least theoretically, for such a number of people to propose an opponent, though this may lead to estrangement between them and their party.

This being the case, the entire election focus has shifted to the field of public discussion in order to elect members of the new parliament. However, whether several lists of candidates will be nominated or there will be an agreement on a national unity and national accord list, including all the legitimate parties, independent personalities, or personalities belonging to unauthorized parties, efforts are underway in order to face all eventualities in the parties, particularly in the ruling PSD and the Socialist Democratic Movement [SDM].

Both parties are seeking to dominate the field and to adopt a confidence inspiring attitude, notwithstanding clear points of agreement and disagreement between the two. The agreement can be summed up in the great desire to proclaim loyalty to President Ben Ali and to support him as well as to affirm that this or that party represents the desire for change which the Tunisian President personifies. The SDM is trying to suggest that the president is not only the PSD Party leader but also the president of all the Tunisians and therefore he should not be confined to one single party. As for the PSD, it seems to suggest that the fact that President Ben Ali has become the head of the party has brought new blood to it and inspired the will for change and, therefore, it has become a better tool for achieving a better future.

The points of difference between the two parties are many and varied, but they center on a basic point. This is the attempt by each party to project itself as the party expressing the people's aspirations and the desire for change. Despite the presence of other parties in the field, the big battle is going to be fought between these two principal parties that have begun organizing meetings and rallies during weekends. The Social Democrats are trying to repeat the victory they won in the 1981 elections but were denied such victory because of what was

regarded then as election rigging which nobody denied. As for the Destourians, they are trying to assert that they are a new party that is credible and capable of being the party of change.

Meanwhile, the strategy being pursued by both parties is based on two scenarios and on the orderly response to the challenges involved. In case of contest taking place between various election lists, the PSD Party will seek and is expected to succeed in winning a comfortable and maybe even more than just comfortable majority in view of the support it enjoys throughout the country as President Ben Ali's party. With regard to the SDM, it is seeking to obtain its share [of seats] and to have a substantial presence in the parliament, so that it will become a "strong power" that must be reckoned with.

In the circumstances, the early launching of the clever campaign by the Social Democrats in the rural areas indicate a new vitality in this party that was absent from the scene during Bourguiba's rule. During that rule opposition party leader Ahmed Mistiri was put in jail.

The second scenario is based on agreement being reached to form unified lists with the legal parties and some independent personalities. In which case the opposition movement wants to impose itself as a major party with which the ruling party should negotiate and which should be given the position it deserves in those lists so that it would be able to win no less than 20 or 25 percent of the seats.

But what will be the composition of these unified lists, in case they are adopted?

According to information received by AL-MAJALLAH, the number of members of parliament will be increased from the present 100 to 130 or maybe 150. The proposed division of seats among the parties which has not yet been finalized is as follows:

- 70 percent for the ruling PSD party.
- 15 percent for the SDM.
- 15 percent for the rest of the parties (5 parties) and for a number of independent persons.

A source in the SDM has stressed that "we will accept nothing less than judgement by the ballot box in deciding on the number of our deputies in parliament." In a tone suggesting that the door has not been finally closed in the face of negotiations, he added: "Yet we accept entering any negotiations that would ensure national accord."

With regard to the Communist Party, which is the oldest of all the Tunisian parties, it affirms that "we will not enter elections in a unified list, except with the progressive forces whose views are close to ours. Of these there is only the Socialist Progressive Grouping in the field at present. Otherwise we would be turning our back to the principles that we have defended for more than 60 years." However, this statement does not prevent the situation from being different from what it is, with all the

parties joining a unified list that would ensure absolute majority for the PSD and representation for the other parties in parliament. This would further test the administration's machinery to conduct normal elections free of rigging. Additionally, the outcome of this experiment has

to be waited for before the necessary division is worked out. Therefore, the 2 April elections will be sort of a "trial" that precedes the municipal elections in the spring of 1990, nonpolitical elections that will be the true indication of the political situation in the country.

AFGHANISTAN

Thousands Join Special Guard Units

46000090b Kabul THE KABUL TIMES in English
11 Jan 89 p 4

[Text] Kabul, Jan. 10, (BIA)—Over 220 members of seventh precinct party organisation of Kabul city, among them 19 women have joined the units and detachments of Special Guard Command during the third quarter of current Afghan year (1367 H.S.).

Also, during the same period, over 1000 youth of the seventh precinct have voluntarily been mobilized to the ranks for the armed forces to serve military service.

Unexploded Missiles Unearthed

46000092b Kabul THE KABUL TIMES in English
15 Jan 89 p 1

[Text] Kabul, Jan 13 (BIA). Shocking incidents were prevented in Kabul city when the personnel of the State Security Ministry captured 20 surface-to-surface missiles.

The missiles were placed in Pulicharkhi area of Kabul and adjusted for shelling on Kabul city.

According to another report 54 surface-to-surface missiles of the extremists adjusted in Shakardara district to shell the residential settlements in the capital were recovered and carried along with the servicemen of Kabul city Tsarandoy command.

PDPA Publishes New Daily Paper

46000091b Kabul THE KABUL TIMES in English
2 Jan 89 pp 1, 4

[Text] Kabul, Jan. 1, (BIA)—Hailing the 24th founding anniversary of the People's Democratic Party of Afghanistan [PDPA], the first issue of the daily PAYAM, publication of the Central Committee of the PDPA appeared yesterday in four pages with a beautiful format with Bariq Shafie, member of the Central Committee of the PDPA as its editor-in-chief.

PAYAM which succeeds HAQIQAT-I-ENQILAB-I-SAUR and other preceding Party Organs will depict, in conditions of national accord, the efforts for termination of the war, creation of a broad-based government, the solution of all the existing conflicts in the country through political dialogue and political pluralism.

The first issue of PAYAM carries, besides a variety of news items, commentaries and cultural essays text of the RA declaration on ceasefire and an editorial entitled 'Renewing the commitment to the people'. It reads in part:

Our proud party, the PDPA also takes the pride in the role it has fulfilled in disseminating the progressive and patriotic literature through the glittering periodicals of 'KHALQ' and 'PARCHAM', the daily HAQIQAT-I-ENQILAB-I-SAUR and other party publications. It can be stated confidently that KHALQ, PARCHAM and HAQIQAT-I-ENQILAB-I-SAUR have fostered that revolutionary and patriotic generation who have made an active contribution in advancing the Afghan revolutionary movement.

PAYAM, the publication of the Central Committee of the party is bound to give a strong impetus to the country's progressive movement. PAYAM which literally means "message" should certainly discharge its task, that is the message of peace, progress, humanism, internationalism.

Overwhelmed by such a desire, we open PAYAM, which would play its role in establishing peace, and publicizing the contemporary progressive ideas. Let it be the PAYAM of peace, freedom, progress, social justice and progress.

Transformer Installed in Badakhshan

Kabul THE KABUL TIMES in English 2 Jan 89 p 4

[Text] Kabul, Jan. 1, (BIA)—A 250 KW transformer was recently installed and put into operation in Nay district of Badakhshan province.

The transformer was installed with the direct cooperations and gratis aid of Republic of Tajekistan of the Soviet Union at the total cost of Afs 13,500,000. With the operation of this transformer, 280 families of the district have received electricity.

BIA reports that, participating in the ceremony of the inauguration of the transformer were the minister of Water and Power of Republic of Afghanistan, Mr Raz Mohammad Paktin, the first secretary of provincial party Committee of Badakhshan-e-Koochi of Republic of Tajekistan of the Soviet Union and some of the citizens of the district.

First Issue of Armed Forces Newspaper Published

46000091c Kabul THE KABUL TIMES in English
3 Jan 89

[Text] Kabul, Jan 2, (BIA)—The first issue of SARBAZ; the organ of the armed forces of the Republic of Afghanistan was published yesterday.

The military section of BIA reports that, SARBAZ which, was formerly published under the name of HAQIQAT-E-SARBAZ, the newspaper of the armed forces, is now published in four pages twice a week on Sunday and Wednesday and are placed at the disposal of the personnel of the armed forces and other readers.

Peasants Receive Fertilizer, Other Assistance
46000089d *Kabul THE KABUL TIMES in English*
16 Jan 89 p 4

[Text] The fertilizer and agricultural services enterprise of the Ministry of Agricultural and Land Reforms has distributed in the past nine months of the current Afghan year over 83 tons of fertilizer to peasants' cooperatives and individual farmers of the country in order to boost agricultural products.

Other facilities have also been put at the disposal of peasants through branches of the enterprise in the capital and provinces of the country for raising the agricultural crops. To cite examples we can name veterinary services to cattle breeders of the country, distribution of fertilizer with reasonable subsidies, transport of the fertilizer from the capital to provinces, and import of insecticide from abroad.

Extremists Reportedly Loot Tribal Properties
46000092a *Kabul THE KABUL TIMES in English*
6 Jan 89 p 2

[Text] Kabul, Jan 5 (BIA). Gulbuddin's extremist group loots the properties of the tribal people. Reports reaching the BIA say that the above group had cut trees of a forest belonging to Wazirestan people and carried them for sale to the other parts. The case instigated the wrath of the people of Wazirestan and caused bloodsucking clashes between the brave youth of Wazirestan and extremists.

The people of Wazirestan asked the above group to refrain from the looting of the people's properties otherwise their responsibility will be borne by them.

Correspondent Reports on Jalalabad Front Situation
44040006 *London AL-MAJALLAH in Arabic*
15 Feb 89 pp 12-15

[Article by Jamal Khashuqi: "AL-MAJALLAH on Jalalabad's Gates; Jalalabad Is Likely to Fall; Fear Is of Soviet Air Bombardment; Mujahidin Refuse to Collect Customs Fees From Pakistani Trucks"]

[Text] Ghaziabad, Afghanistan—AL-MAJALLAH travelled to the farthest point liberated by the Afghan Mujahidin to record with word and picture the final phases of the Soviet withdrawal from Afghanistan and the victories scored by the Afghan Mujahidin.

How do the liberated areas live and how do their inhabitants deal with the Mujahidin? What is the fate of the captives, of the war booty and of other things? What are the problems the Mujahidin's future tendencies will encounter?

On a spring day in 1985, Anahita Rateb Zade talked in her luxurious residence in Kabul, the capital of Afghanistan, to an American lady journalist of the strength of

the People's Democratic Party and of her confidence that the return of peace to Afghanistan was imminent. According to the journalist, "Afghanistan's strongest and most liberated and elegant woman" at the time said: "We have decided to fully seal the borders in order to cut off the military supplies to the counter-revolutionary forces." Since then, many things have changed in Afghanistan. Rateb Zade is no longer Afghanistan's strongest woman. The luxurious residence has been replaced by a modest home in which she lives under surveillance, having spent several months in the prison for the ill-reputed—(Poli Shirk)—along with 40,000 others from the "counter-revolutionary forces," watching with concern the departure of the last Soviet soldier from Afghanistan. What is more important is that the peace of which she spoke has not yet prevailed and that nobody has been able to seal the borders. The Afghan Mujahidin now control the gate to Southern Afghanistan and to its land port, known by the name of the Turkham border point which is located at the famous Khyber Pass. Flying over the Afghan passport office in Turkham is a white flag with two swords engulfing a Koran. This is the flag of the Mujahidin who control 60 miles of the official highway, with their control ending close to Jalalabad, the third biggest city in Afghanistan, which is likely to fall shortly.

Commander's Words

Engineer Mahmud, commander of the Jalalabad front and member of the Islamic Party (the Khalis faction) who accompanied me in my capacity as AL-MAJALLAH correspondent, said: "Three months ago, we needed one or 2 days to reach our headquarters in the interior through the mountains. We could only use mules and horses to transport supplies to the Mujahidin. Now, we need only 1 and ½ hours." The Mujahidin have also replaced the mules and horses with big trucks. All along the highway, one sees these trucks which are loaded with big wooden crates, probably containing missiles and munitions or food supplies. The truck driver refuses to reveal his cargo. In fact, we reached the vast farms in Ghaziabad in only 1 and ½ hours. These farms stretch along both sides of the highway for more than 110 km, ending only about 6 km from Jalalabad. This is where the Mujahidin's closest positions to the city are located. These farms were built during the rule of the former King Zaher Shah and became a source of citrus exports to the Soviet Union during the Marxist People's Party rule. Before the Mujahidin took control of the farms, they were worked by nearly 2,000 workers supervised by Soviet experts who left behind a large quantity of Soviet agricultural machinery and a Russian-language agricultural library.

Engineer Mahmud stressed that some battles did take in the farms and that as a result, a number of machines, offices and buildings have been burnt. However, some Mujahidin spoke of sabotage activities carried out by

some fighters who were annoyed by the presence of Lenin's or Najibullah's pictures. Any office displaying the picture of either man or of both men ended up being destroyed.

Dr Ahmad Farid Mustafa, the supervisor heading the Advisory Office for the Reconstruction of Afghanistan who visited the farms at a later time, said that these farms could constitute a source of food for hundreds of thousands of refugees who are likely to return to the southeast Afghanistan provinces next summer. Dr Mustafa also warned that the citrus and olive groves and the vast wheat fields are likely to wither and perish if an organization does not hasten to tend and protect them. The priority in the Mujahidin's thinking goes to the military aspect.

With the conquest of Turkham and the military garrisons in (Landi Fier) all the way to southern Jalalabad, the plain extending from (Koner), which is fully liberated, and the Paktia Province mountains (i.e. most of Nangarhar Province) are in the Mujahidin's hands. This reality, which is totally new to the Mujahidin, and the Soviet forces' withdrawal have saddled the Mujahidin with major responsibilities toward the inhabitants and tribesmen, as well as responsibility for the war booty, including weapons, military munitions and livestock, and for schools and hospitals. The Mujahidin have also found themselves faced with vast numbers of defectors from the army and the militias. These are the sons of tribes and villages whom Najibullah's government was able to recruit against the Mujahidin in return for supplies them of weapons and a modest salary.

Engineer Mahmud, who learned Arabic at the Shari's Institute in Kabul and who speaks it well, found no solution to deal with these vast numbers other than to take away their weapons and give them general amnesty. A small number of officers and of the secret police (KHAD) members continue to be detained and it is not unlikely that some of them will be executed if it is proven by the investigations that they belonged to the People's Party for a long time.

Liberated Zones

The Nangarhar Mujahidin have not yet engaged in the experience of government and administration and they continue to await the fall of the capital. They are surrounded by large numbers of the inhabitants of the area's villages, many of whom have eagerly expressed their joy and their welcome to the Mujahidin. But because, as in the other battlefronts in Afghanistan, more than one party exists in the area, the Mujahidin have formed a consultative council which includes all the military commanders and through which the military activities are coordinated. Nangarhar's military force is concentrated in the hands of 4 parties, namely: The Islamic Party [Hezb-i-Islami]—the Shaykh Yunus Khalis faction which is the strongest party in the area by virtue of the fact that Shaykh Khalis is a citizen of the province

who spends most of his time on the front, not in Peshawar—the Islamic Party (the Hikmatyar faction), the Islamic Association (the Rabbani faction) and the Islamic Union (the Sayyaf faction).

During a visit to a farm, Engineer Mahmud asked us to be excused so that he may meet with Saz Nur, commander of the Islamic Union Mujahidin whom I saw there. Nur cannot carry or use weapons due to severe injuries caused to his hands by an exploding grenade. Despite this, he is still his group's commander and is attested to lead the Mujahidin as a commander who plans and manages the battle without carrying any arms.

Koner Experience

The Mujahidin have good experience in government and administration. Last October, they defeated the government forces in Koner District, northern Nangarhar. The surviving government forces quickly fled the province to Jalalabad.

Within 3 days of their victory, the Mujahidin formed a consultative council and a local government. They selected for the province a governor who declared his loyalty to the Mujahidin provisional government, led at the time by Ahmed Shah, and Koner soon became a model emulated by the other provinces.

It seems that the military commanders are in a hurry to set up administrative agencies that shoulder the responsibility of the new provinces and of the booty—non-military—so that they may devote themselves to the jihad. At the same time, they reject the administrative methods and systems left behind by the communist government. At Turkham on the Pakistan-Afghanistan borders, the Mujahidin refuse to collect customs fees on goods headed for Kabul because they believe that the customs in their present condition are not compatible with Islam. According to Engineer Mahmud, this has led to administrative complications between the responsible authorities in Pakistan and their counterparts in Kabul which insist on the customs fees upon the goods' arrival in Kabul. This is why tens of trucks loaded with electrical and electronic equipment and with vehicles are parked in (Landi Kotel) in Pakistan while waiting for the situation to be clarified.

At the Turkham border point, perhaps the only crossing between the two countries, there is no need for passports or even for identity cards. It is enough for one to be an Afghani or to pretend to be an Afghani in order to pass. This is the best reflection of the phrase quoted from Mohammad Ali Jenah and inscribed at the crossing gate: "We are not neighbors only but also brothers."

Air Bombardment

When the Soviets completed withdrawing one-half their forces last August, they preoccupied the world with their vacillation between threatening to stay in Afghanistan and completing their withdrawal. The same thing is currently happening with the air bombardment. Will the Soviets use their Air Force to bombard the Mujahidin in

order to assist Najibullah' government? General Gro-mov, commander of the Soviet forces in Afghanistan, denied this decisively. Two days later, Foreign Minister Shevardnadze was asked in Islamabad about this issue. He offered a vague answer and did not exclude the possibility of renewed bombardment.

The Soviets have not denied that they use aircraft which take off from their bases in the Soviet Union to bombard the northern areas controlled by the Mujahidin, such as their bombardment of the town of Kawanduz, which has been seized by the Mujahidin, and their painful bombardment of the villages located along the Salang Highway. This bombardment motivated Gulbuddin Hikmatyar, the Islamic Party chairman, to threaten to transfer the battle to Soviet territory across the Amu River which separates the two states if the air bombardment of his country persists. This bombardment has its impact on delaying the conquest of some cities, such as Jalalabad, Khowst, and Qandahar in the south. The Mujahidin fear that their painful experience in the northern Kawanduz will be repeated. There, they were subjected to indiscriminate and devastating bombardment before Kawanduz fell to their control. The Turkham-Jalalabad Highway is a witness to the severe bombardment which followed the Mujahidin's seizure of the area. In that bombardment, Scud missiles, which have an enormous destructive capability, were used. I have seen a crater with a diameter of no less than 100 meters resulting from bombardment with these missiles.

Arrivals from Qandahar, a city in southwest Afghanistan with a reality and a fate similar to that of Jalalabad, say that bombardment against the city has become indiscriminate and that raiding aircraft fly at high altitudes to avoid the Mujahidin's missiles. The arrivals further assert that bombs have fallen into the city because the aircraft fly at such a high altitude and because the Mujahidin's positions are so close to Qandahar. They say that this situation has affected the inhabitants' morale negatively.

With the end of the war, the Afghans find their opportunity to recall painful memories they have experienced throughout the past 10 years. Near the garrisons of the 66th Division in Landi Khyber, garrisons located atop two mountain peaks now controlled by the Mujahidin, a number of men were digging the earth in search of the remains of kinsmen said to have been buried in a mass grave after a massacre perpetrated by the regime's troops at the outset of the administration of Mohammad Nur Turaki, the first president of the Marxist Afghanistan.

BANGLADESH

Reportage on Developments in Economy, Statistics

Bank Issues Annual Report

46001233 Dhaka THE NEW NATION in English
7 Dec 88 pp 1, 8

[Text] An accelerated rate of credit expansion, higher inflationary rate, lower level of investment and a slowed-down overall growth of gross domestic product (GDP) were the main features of the economy in 1987-88.

The just-published annual report of Bangladesh Bank for 1987-88 showed the credit expansion at 18 per cent during the year under report compared to 7.9 per cent in 1986-87. The inflationary rate stood at 11.4 per cent in 1987-88 as against 10.4 per cent in the previous year. The gross investments as a percentage of GDP at current prices declined to 14.59 per cent in 1987-88 from 15 per cent in 1986-87. The growth performance of the economy during the year under reports was three per cent compared to 4.4 per cent in 1986-87.

The annual report of the country's central bank put the foreign exchange reserves at year-end in 1987-88 at 856 million US dollars, showing an increase by 141 million dollars over that in the previous year. The increase in foreign exchange reserves was mainly the results of uptrend in remittances from abroad from 696.40 million dollars in 1986-87 to 737 million dollars in 1987-88 and the rise in disbursement of external assistance from 1595-million dollars to 1640 million dollars during the period under review.

Interestingly enough, the disbursement of foreign assistance in 1987-88 was maintained at a level higher than the commitments during the year. The commitments stood at 1530 million dollars in 1987-88, lower by 73 million dollars from the level of the previous year at 1603 million dollars.

The report showed total import expenditures in 1987-88 at 2987 million dollars as against 2620 million dollars in 1986-87. The higher expenditures were occasioned by greater volume of food imports which involved 621 million dollars (489 million dollars for foodgrains and 132 million dollars for edible oil and oil seeds) in 1987-88 as against 376 million dollars in 1986-87 (272 million dollars for foodgrains and 104 million dollars for edible oil and oil seeds). Higher overall import payments in 1987-88 however, coincided with a decline in imports of capital goods and related spares to the extent of 147 million dollars during the period under review.

The export earnings in 1987-88 were reported by Bangladesh Bank at 1186 million dollars, registering a rise of 186 million dollars over that in the previous year.

The overall debt servicing payments including interest payments and repayment of the principal amount on account of external borrowings totalled 460 million dollars in 1987-88 as against 409 million dollars in 1986-87.

The report showed the debt servicing liability of the country as a proportion of total merchandise exports at 23.61 per cent in 1987-88 compared to 26.20 percent in 1986-87.

The broad money supply which includes notes-in-circulation, demand deposits and time deposits recorded an expansion of 18.3 percent in 1987-88 as against 16.3 percent in 1986-87. The notes-in circulation which represent the currency outside the banks expanded from Taka 2075.60 crore to Taka 2415 crore, demand deposits from Taka 2276 crore to Taka 2632.70 crore and time deposits from Taka 9513.20 crore to Taka 11,360.30 crore during the period July'87 to June,'88.

The expansion in time deposits mainly as a result of increase of the same in the private sector from Taka 6428.8 crore to Taka 9020 crore moderated partly the inflationary potentials of the sharper rise in notes-in-circulation and demand deposits. The time deposits in the government sector recorded a modest increase from Taka 2853.6 crore to Taka 2983.8 crore during the year under report.

There was a substantial expansion of refinance operations by Bangladesh Bank in 1987-88. Refinancing involved Taka 2479.40 crore during the year under report compared to Taka 1991.71 crore in 1986-87.

The country's central bank showed private sector industrial investments in terms of sanctions and registrations at Taka 899.22 crore in 1987-88 against Taka 1268.54 crore in 1986-87.

Bangladesh Bank earned a net profit of Taka 213.82 crore in 1987-88 compared to Taka 184.82 crore in 1986-87. Out of its profits, the bank contributed to the government an amount of Taka 173.82 crore in 1987-88 compared to Taka 144.82 crore in 1986-87.

Meanwhile, Bangladesh Bank reported the growth performance of the economy in 1987-88 at three percent, slightly higher than what was estimated at about 2.6 percent at the fiscal year end in June'88.

It stated that the slowed-down growth performance was due to both floods and political turmoil last year.

Though the latest figure for 1987-88 was modestly up from the earlier estimate, the growth performance during the year under report was the lowest one in the last six-year period (1982-88).

The sectoral growth performance of the economy during the year under report showed major setbacks in agriculture which recorded a modest increase in value-added at 0.7 percent in 1987-88 compared to 3.1 percent in 1986-87. The industrial sector registered a growth performance of 4 percent in 1987-88 as against 9.5 percent in 1986-87.

Bangladesh Bank in its perfunctionary assessment about the likely growth prospects for the economy in 1988-89 noted that the massive flood damage during the year was likely to cause another phase of setbacks both for agriculture and industry in terms of value added output.

Worsening Trade Balance

46001233 Dhaka *THE NEW NATION* in English
11 Dec 88 pp 1, 8

[Text] The country's trade balance representing the gap between merchandise export receipts and merchandise import payments, worsened during the first three years (1985-88) of the current Third Five Year Plan period (1985-90).

The growth in export receipts by 275 million U.S. dollars trailed much behind the surge in import payments to the tune of additional 625 million dollars over the period under report. What mainly caused this surge in import expenditures was the ever-swelling import bill on account of food items including foodgrains, edible oil seeds.

Total imports of foodgrains, edible oil and oil seeds were valued at 1332 million dollars representing about one sixth of the total imports over 1985-88 period.

The import bill on foodgrains more than doubled from 220 million U.S. dollars in 1985-86 to 489 million dollars in 1987-88 due to crop failures under natural disasters. Total imports of foodgrains (rice and wheat) during 1985-88 were valued at 981 million dollars, over 11 percent of aggregate merchandise import payments.

The import payments on account of merchandise goods totalled 1971 million dollars and the export receipts on same account 3095 million dollars, showing the cumulative trade imbalance at 4876 million dollars over the period under report. This imbalance was met through workers remittances and existence assistance, loans and grants.

The most distinctive feature in the import operations over the first three years of the current Third Five Year Plan period was the sizeable import savings on account of Crude Petroleum and Petroleum products. The payments for the related items stood at 323 million dollars in 1985-86, 201 million dollars in 1986-87 and 200 million dollars in 1987-88, giving the total import bill on POL (Petroleum, Oil and Lubricants) at 524 million dollars.

Import savings on account of fertilisers were also substantial and this was mainly facilitated by the creation of new domestic production capacity in the related item. Fertilizer imports were valued at 103 million dollars, 16 million dollars and 33 million dollars for 1985-86, 1986-87 and 1987-88 respectively.

The imports of cotton and textile yarn varied between 65 million dollars and 86 million dollars while those of cement, between 48 million dollars and 58 million dollars annually during the period under report.

Chemical imports were substantially up in 1987-88 to 180 million dollars from 146 million dollars in 1986-87 and 142 million dollars in 1985-86.

The aggregate value of imports of capital machinery and other accessories stood at 2550 million dollars which were about 32 percent of total import payments during 1985-88 period.

Import expenditures, categorised under 'others', totalled 2345 million dollars during the period under report.

Meanwhile, the country's external debt service payments on account of both interest and repayments (amortization) of the principal amount of the loans were on a steady rise during 1985-88 period. Interest payments involved 180 million dollars in 1987-88 compared to 147 million dollars in 1986-87 and 145 million dollars in 1985-86. Debt amortization totalled 166 million dollars in 1987-88 as against 154 million dollars and 117 million dollars in 1986-87 and 1985-86 respectively.

Growth Targets Revised

46001233 Dhaka *THE NEW NATION* in English
11 Dec 88 pp 1, 8

[Article by Hassan Abul Quasem: "Certain Growth Targets Revised"]

[Text] The government has revised the growth targets of some of the important economic indicators including gross domestic product (GDP), monetary and credit expansion, rate of inflation and balance of payments.

The real GDP growth has now been projected at only two percent against the original projection of over six percent during the current fiscal year.

The GDP growth, according to the recently published annual report of Bangladesh Bank was three percent during the last fiscal year (1987-88) as against 4.4 percent in 1986-87.

The growth targets have been tentatively refixed due to the damages caused by the floods this year that had seriously impeded the efforts for realisation of mid-term objectives of the government.

Under the revised targets, government has fixed the rate of inflation at 11 percent during this year as against the actual rate of inflation of about 12 percent during the last financial year. The current account deficit, however, is expected to widen to seven and a half percent of the GDP, at the end of this year, according to official indication.

The balance of payments situation is also likely to deteriorate despite the increased flow of concessional credits during the on-going year, according to latest official projection.

The official reserves are also likely to draw down to a level equivalent to three months import requirement. The foreign exchange reserve at the end of last year was recorded at 856 million dollars, which is equivalent to three and a half months import requirement.

The budgetary deficit has also been projected at seven and a half percent of the GDP. There might be a serious shortfall of revenues collected from internal sources. Revenue collection during the first quarter of this year declined.

The government has informed the external donors including the International Monetary Fund (IMF) and the World Bank that it will impose additional tax measures during the second half of this year if internal resources collection seriously declines during the first half of the current year. The government has decided to maintain the level of domestic resources at 9.2 percent of the GDP. If the domestic resources declines below that level, government will resort to additional tax measures during the remaining period of the year (1988-89), according to official sources.

The sources said that government would not go for borrowing from the banking system that might lead to a rise in the price level and also in the rate of inflation.

The growth of the broad money supply has been projected at 13 and a half percent as against 18.3 percent during the last financial year (1987-88). The growth of domestic credit will, however, be contained at the level of 14 percent, according to official protection.

Though the government has been endeavouring to realise the mid-term objectives of accelerating economic growth, lowering rate of inflation, containing money supply and credit expansion to a certain level and maintaining a comfortable balance of payments situation with the desired level of foreign exchange reserves some of the objectives may remain unrealised, informed sources said.

The two main objectives could not be realised during the last two years with respect to production and prices which were adversely affected by the damages of floods and other natural disasters.

Remittances From Overseas

46001233 Dhaka *THE BANGLADESH OBSERVER*
in English 10 Dec 88 p 1

[Text] Bangladesh earned about five billion U.S. dollars from remittances sent by the overseas Bangladeshis during the last 11 years. The Taka equivalent of the remittances stood at Taka 12306 crores.

The highest amount of money was sent home by the wage earners abroad in 1987-88 which amounted to 737 million U.S. dollars equivalent to Taka 2,303.90 crores. The remittance earning was Taka 154 crore in 1977-78.

The foreign exchange reserves in 1987-88 was 856 million dollars (Taka 26,963 crore) which is highest since 1977-78. The reserve was 715 million dollars last year. The increase in foreign exchange reserves was mainly due to uptrend in remittances and rise in disbursement of external resources.

The official exchange rate rose from 29.88 Taka in 1985-86 to Taka 31.50 for one dollar in 1988. During this period exchange rate remained more or less stable both in official rate and in the secondary market.

Bangladesh received the commitment for foreign assistance to the tune of 22.5 billion U.S. dollars till 1987-88. During the same period the disbursement stood at 17 billion dollars. In 1987-88 the disbursement of foreign assistance was 1,640 million U.S. dollars as against 1,595 million dollars in 1986-87. The debt servicing ratio to our export earning fell from 26.20 percent in 1986-87 to 23.61 percent in 1987-88.

The rate of inflation was 11.4 percent in 1987-88 as against 10.4 percent in the previous year. The general price index rose by 13 percent. The rate of inflation increased during the year under review mainly due to expansion of credit to 18 percent in 1987-88 as against 7 percent in the previous year. The other reasons are loss of production due to devastating floods, disruption in industrial production because of political unrest beginning from October last year and phenomenal money supply by over 16 percent.

Soviet Ambassador Addresses Chittagong Businessmen
46001236 Dhaka *THE NEW NATION* in English
19 Dec 88 pp 1, 8

[Text] Chittagong, Dec 18 (BSS): The Soviet Ambassador in Bangladesh, Mr Vitali Stepanovich Smirnov, said here today there were favorable opportunities for expansion of trades between his country and Bangladesh.

He said the barter protocol signed between the two countries last December had provided for increase in mutual trade by 50 per cent compared with that of 1987.

Addressing members of Chittagong Chamber of Commerce and Industry at the Chamber House the Soviet envoy said the annual trade transactions in terms of U.S. dollar between USSR and Bangladesh had recorded 100 million in 1987 from 23 million of 1972.

Mr Smirnov said under protocol no. 17 signed recently between Bangladesh exporters and Soviet Foreign Trade Association 'Raznoexport' ready-made garments were being exported to the USSR. He pointed out that ready made garments market could be expanded in his country provided Bangladeshi exporters raised the quality of their products.

He expressed the hope that trade between the two countries would be further expanded in the years to come as his country had already authorised 22 ministries and 77 associations and enterprises to have direct business operations with foreign markets.

The Soviet envoy said his country was providing technical assistance in the Power Development Sector of Bangladesh including expansion of Ghorasal Power Station. A Soviet firm was also studying the possibility of constructing a cement factory at Jairpuhat and cotton spinning mills at Kurigram, he said.

Replying to a question he said Bangladeshi traders would face no difficulty in getting visas for visiting the USSR.

Mr Smirnov said the Soviet Union was ready to give up to one hundred years moratorium on the payment of debts by the least developed countries to help them overcome the present difficulties. "We are ready to write off the debts in particular cases", he added.

Mr Smirnov said the Soviet Union was one of the leading importers of traditional Bangladesh commodities like tea, jute and jute goods and goat skins. During the last 15 years Bangladesh exported to the USSR 430 thousand tons of raw jute, 380 million metres of jute cloth, 215 million jute bags, 29,000 tons of loose tea, 20 million pieces of goat skins and 160 thousand square metres of jute carpets, he said.

He said the USSR export to Bangladesh included machinery and equipment, spares, cotton and petroleum products. He said the Soviet Union supplied to Bangladesh over 2,300 tractors, more than one million tons of petroleum products, 110 thousand tons of pig iron, 70 thousand tons of M.S billets and over 100 thousand tons of cotton during the period.

The Soviet Union was also exporting to Bangladesh cars and old ships for scraps.

Earlier CCC and I President, Mr Amir Muhammad Khashru, welcomed the Soviet Ambassador and commended Soviet assistance in different fields of Bangladesh economy.

Economic Panel Reviews Annual Plan Fulfillment
46001242 Dhaka *THE NEW NATION* in English
25 Dec 88 pp 1, 8

[Text] A meeting of the National Economic Council (NEC) held here yesterday with President Hussain Muhammad Ershad in the chair reviewed the progress of implementation of Annual Development Programme for the fiscal year 1987-88, reports BSS.

Held at the conference room of the Planning Commission the meeting was attended by the Vice-President, Mr Justice A.K.M. Nurul Islam, Prime Minister Moudud Ahmed, ministers, secretaries, heads of different sector corporations and other members of the council.

The meeting observed that in spite of different unfavourable situations like floods, the progress of implementation of the annual development programme for the year 1987-88 was satisfactory.

During 1987-88 Taka 4651 crore were allocated for 880 development projects including Taka 2007 crore in local currency and Taka 2644 crore as project aid. Eighty-nine percent of the allocated fund amounting to Taka 4150 crore have been spent during the period. This consists of Taka 2015 crores in local currency representing 100 percent of the allocation and Taka 2135 crores in project aid representing 81 percent of the allocation.

During 1987-88 the average progress of implementation was 69 percent which was 71 percent during 1986-87.

During the period under review 90 projects were selected for completion under the revised annual development plan. But 99 projects have been completed upto June 1988.

In his concluding remarks President Ershad laid emphasis to take up projects in priority sectors suiting the requirements of the country and said this would help in achieving overall development of the nation.

He expressed satisfaction at the progress of implementation of projects under annual Development Programmes (ADP) for 1987-88 fiscal year despite natural calamities like floods and cyclone.

The President said this was manifestation of the fact that the process of implementation of development projects had improved considerably compared to previous years. In this context, he stressed the need for streamlining the administration for further improvement in this sector.

He said population problem continued to be the major problem for the nation and as such all concerned should make efforts to achieve the target of bringing down the rate of population growth to 1.8 percent by 1990. Otherwise, he pointed out, all the development efforts would be rendered meaningless.

The President emphasised the need for streamlining the primary education and said steps should be taken to gear up primary education keeping in view the government policy of increasing literacy rates in the country.

He appreciated the efforts of the Agriculture Ministry to achieve self-sufficiency in food within the next 3 to 4 years and asked the authorities concerned to expand further the irrigation facilities as well as distribution of seeds, fertilizer and other inputs to attain their objectives.

Papers Report Meeting of BNP-Obaid National Council

Obaidur Rahman Opens Meeting

46001239 Dhaka THE NEW NATION in English
22 Dec 88 pp 1, 8

[Text] The Secretary General of BNP [Bangladesh Nationalist Party] (Obaid), Mr K. M. Obaidur Rahman said yesterday that the political movement against the present Government had lost momentum and the position of the rulers had become strengthened after the expulsion of the BNP leaders from the mother organisation.

He was addressing the inaugural session of his faction's second national council at the Engineers Institute premises yesterday afternoon. He said the action for the dissolution of the BNP standing committee and the National Executive Committee was taken to serve the Government as it helped grow mutual suspicion and hatred both within and among the opposition political parties.

He also observed that the movement against the Government suffered setback due to the autocratic character of the political leadership. No political party can lead the people toward the long cherished goal of realising democracy, Mr Obaid observed. He said the opposition political party could not be led to its logical goal under the umbrella of the Government.

Mr Obaid said politics could not be used to cash on personal and family gains. A group of persons accumulated crores of Taka by using BNP and its chairman, he alleged. It is not possible to launch an offensive against the Government on the one hand while taking benefit from it on the other, he observed.

He accused BNP Chairman Begum Khaleda Zia of violating the party constitution.

Referring to the present uneasy situation in educational institutions, Mr Obaidur Rahman observed that the education system was virtually now on the verge of collapse.

He said a section of immature leaders of the political parties were responsible for vitiating the atmosphere in the campus. He emphasized the need for cooperation of guardians, teachers, government and the political parties for restoring congenial atmosphere in the campus.

In his presidential address vice-chairman of BNP Mr Jamaluddin Ahmed observed that the political leadership would have to take the full responsibility for the failure of the six-year-long opposition movement that eventually strengthened the Government position.

He underscored the need for creating new leadership and to frame new programme reflecting the will of the people.

He criticised the Governments industrial policy and observed that the smuggling had emerged as the big industry. Only 20 percent existing industrial capacity is being utilized, he observed.

Mr Jamaluddin said the two-day BNP council bore the testimony of the end of one-man rule in the party forever.

Earlier Mr Ahmed Nazir, publicity secretary of BNP read out the obituary reference which condemned the murder of late President Ziaur Rahman in 1980.

Party sources claimed that about 1200 councillors representing 62 organizational districts participated in the council.

The council is also likely to adopt some amendments to the party constitution. The total size of the national executive committee is likely to be reduced from 185 to 151.

The electoral college which elects the party chairman is likely to be abolished to pave the way for the direct election of party chairman and other office-bearers and the standing committee, according to party sources.

Mr K. M. Obaidur Rahmun and Barrister Abdul Hasnat are being tipped as chairman and secretary general of the party.

Official Elected

46001239 Dhaka THE BANGLADESH OBSERVER in English 23 Dec 88 pp 1, 10

[Text] The formation of two apex bodies—151-member National Executive Committee and 15-member Standing Committee of BNP [Bangladesh Nationalist Party] (Obaid)—was announced on the concluding day of its council session on Thursday with K. M. Obaidur Rahman as Chairman and Mr Ahmed Nazir as Secretary-General.

The names of 60 members of the Executive Committee were announced on the day. Messrs Abul Hasnat, Jamaluddin Ahmed, Dewan Sirajul Huq, Ataudin Ahmed, Abul Kasem, Zillur Rahman, Enayet Ali and Abul Mansur are members of the Standing Committee. Other names of the Standing Committee are yet to be announced.

Addressing the concluding session K. M. Obaidur Rahman said there cannot be fruitful politics in a country if the same power lobby controls both the power politics and opposition politics. In an oblique reference to mainstream BNP, he said those who are still hopeful of some meaningful outcome, would soon realise that they were in mere illusion.

He blasted BNP chief Begum Zia without naming her for giving 24-hour short notice to reply to the show cause. He said those expelled were not given any hearing. He held her responsible for split in the party and also questioned the legality of her holding the position as her term ended in August as party chief.

National executives

The names of members of the National Executive Committee as has been released is as follows:

Vice-Chairman Mirza Halim, Shahina Khan, Abdul Hye, Aminul Islam, Mokhesur Rahman, L. Salam, A. Kuddus and Begum Shamsunnahar; Joint Secretary-General Rezabuddowla Chwodhury, Sayedur Rahman, Rasheda Zafar and Bina Sarker; Organising Secretary Babul Ahmed, Sharifullah, S. M. Faruqi and Siddiqur Rahman; Publicity and Publications Secretary Golam Mohiuddin Khan; International Affairs Secretary Tarek Ahsan; Social Welfare Secretary Sultan Mahmud; Women Affairs Secretary Hosneara Khan; Youth Affairs Secretary Abdullah Chwodhury; Student Affairs Shamsul Arefin.

Obaidur Rahman Interview

46001239 Dhaka THE NEW NATION in English 26 Dec 88 pp 1, 8

[Text] K. M. Obaidur Rahman, Chairman of Bangladesh Nationalist Party yesterday said his BNP [Bangladesh Nationalist Party] might consider the question of joining mid-term election if free and fair polls are guaranteed.

"We will examine the possibilities", he said in an interview when asked if his party would participate in any national election under the present government on condition of its neutrality and fulfilment of opposition demand for free and fair polls.

Rahman, who led a dissident faction of Begum Khaleda Zia's BNP which last July expelled him from the party, was elected Chairman of his own group of BNP Thursday by its Council session.

The Economist Intelligence Unit of London in its November 4 issue had said that the expulsion of Obaidur Rahman and six others from BNP in late July was 'reportedly engineered by a Presidential adviser and is perhaps most significant as revealing preliminary manoeuvring in preparation for parliamentary election.

Talking to UNB, Rahman said it was clear that all these years of opposition movement had been aimed at achieving a democratic government through a fair and independent election.

But at the same time, he questioned the efficacy of election to Parliament under the existing Presidential form of government which he thought "is not effective to solve the national problems."

He said both Presidential and Parliamentary forms were democratic but pointed out that the country's existing Presidential system vested all executive powers in one man and confined the role of the Prime Minister within Parliament.

He was critical about the present Presidential system which he said, 'provided no check and balance, and dangerously concentrated powers in an individual'.

Asked if he prefers Parliamentary system as envisaged in 1972 constitution prior to the fourth amendment, Rahman said, "I don't like to say it right now. We will convene a special Council session on this particular issue as the BNP constitution still embodies the Presidential system."

Obaidur Rahman also felt the need for a consensus on certain constitutional matters by all political parties to ensure that no further coup is staged in future.

He observed that the army should remain above politics and controversies as well as keep away from the civil administration.

Asked how he evaluates the country's politics since the bloody coup of August 15, 1975, Rahman said his party does not support any bloodshed or "taking over of power by force".

The BNP leader, however said that late President Ziaur Rahman was propelled to power by a spontaneous upsurge of the people and the jawans.

On the recent controversy over politics of fundamentalism, he said the aim of the current opposition movement should be ouster of the present government and not fundamentalism. But he hastened to add that communal politics should not be encouraged.

Press Conference Told of New Party, 'Unity Process'
46001232 Dhaka THE BANGLADESH OBSERVER
in English 5 Dec 88 p 10

[Text] An alliance of eight political parties, trade unions and student organisations announced their merger at a Press Conference at the National Press Club on Sunday.

Swadhinata Party, Ganotantrik Mukti Andolan, Bangladesh Bhumihiin Samiti, Jatiya Sramik Federatrion, Jatiya Chhatra Union, Chhatra Oikya Forum, Gonotantrik Pathchakra and Gonotantrik Chhatra Union have merged under the name of 'Unity Process' (Oikya Prokria).

Addressing the Press conference Mr Naeem Jahangir, President of Swadhinata Party said that the new party would work for establishing the rights of the proletariat. He said that the party would fight autocracy as well as national-international capitalism to establish an exploitation-free state.

The new party announced an eight-point manifesto having democracy, nationalisation of banks, insurance and other investment and financial institutions in it.

Mr Naeem Jahangir called upon all the political parties to forge a greater unity for intensifying the present democratic movement.

Headquarters of 'Free Banglaland' Visited in Bengal
46001238 Dhaka THE NEW NATION in English
21 Dec 88 pp 1, 8

[Article by Munir U Ahmed: "A Visit to Hideout of Bangabhumis"]

[Text] It was early morning at Patkelghata of Tala upazilla under Satkhira district on December 16, the Victory Day.

As people went in for hoisting the green and red national flag to mark the Victory Day, they were surprised. Someone had raised a flag on a rod tied to an electric pole. It mingled with the national flag fluttering around easily except for a golden yellow spot drawn in the form of a map on the red circle. But no one dared to pull it down as some one whispered 'they are around.' The crowd stared at it with contempt. But the whisper was enough. It belonged to the so-called 'Swadhin Bangabumi' (free Banglaland) that was declared at Calcutta by a person who had taken the 'nom de guerre' of Partha Samanta on March 25, 1982.

It was six years ago when he read out a bizarre plan before Calcutta newsmen. The plan said the greater districts of Jessore, Khulna, Barisal, Faridpur and Kushia belong to his state to be domiciled by people who had left Bangladesh after the partition of British India in 1947. No one gave him much prominence until his followers, a few dozens, gathered in front of the Bangladesh Deputy High Commission in Calcutta on April 11, 1984. They declared their objective: to take hold of one-third of the mission since it belongs to the Bangabumi which consists of roughly about one-third of Bangladesh. The police guarding the chancery stopped them but some of them managed to scale the walls and hoist a flag. It was, however, pulled down. But the incident left

a question about the real intention of these people, most of them residing in a particular Calcutta hotel that serves as the home of Bangladeshis who left after 1975.

But the 'leader', said to be a MP [Member of Parliament] in the 1973 parliament of Bangladesh, Chittaranjan Sutar, lives in style, courtesy of the Indian government, since he was granted political asylum along with 39 others as stated by the then Indian Prime Minister Morarji Desai in Indian parliament in 1979.

The later years saw the groups activities in the form of propaganda campaign spreading along the south western border of Bangladesh. Recently they started venturing inside and the latest action was the hoisting of flag at Patkelghata. When this correspondent reached there the whispering people disappeared but a few eyes watched him and his companions two other newsmen from Khulna. Queries revealed that the strangers from across the border frequently visit their friends and sympathisers in the area. Well armed the strangers keep everyone in terror to carry their businesses practically unhampered before police smell their presence. When police looks for them they are well out of the reach of law. But a temple at Baghdanga under Khaliskhali union of Tala upazila is said to be the contact point of the group. A man who left Bangladesh long ago to live in Deoghar of Bihar and took the name of Anukul Chandra Thakur, is the founder of the temple. He has some followers in Bangladesh. The Deoghar also serves as the training centre for the activists of Partha Samanta. The temple is being built by a local contractor who also stays in Deoghar. The money, some three crore taka, is said to be contributed by Marwari businessmen and an organisation named World Hindu Parishad. The organisation also finances Samanta's activities, according to information received from various sources. The sources also alleged that certain highups in a special outfit of New Delhi are behind Samanta's scheme providing him logistics and other facilities.

As the winter afternoon was fading into evening the correspondents were advised to leave the area by responsible local people who were concerned about their security as invisible eyes had seen them taking photographs of the map.

Recently the activists had gone deep underground. Most of them had fled across the border after arrests of a number of them since December 6.

The flag was, of course, pulled down but the audacity of the activists of Bangabhumis' movement had left a question why this was happening after millions laid down their lives and others suffered and made lot of sacrifices for independence of the motherland.

Awami League Chief Hasina Meets Overseas Newsmen

46001241 Dhaka THE BANGLADESH OBSERVER
in English 25 Dec 88 pp 1, 10

[Text] Sheikh Hasina, chief of Bangladesh Awami League and leader of Eight-party Alliance on Saturday

reiterated her call for united movement to compel the present Government to quit. "We are in the movement to establish a system where government will change through ballot and not through bullet, she added.

Sheikh Hasina told this at a tea meeting, organised by Overseas Correspondents Association of Bangladesh (OCAB) at a local hotel on the day.

Asked if her alliance would join any polls under Ershad if there is announcement of neutrality she said, "We do not want election from Ershad. We joined the polls in 1986 as we believe in constitutional movement but as the results were manipulated in favour of the ruling party we boycotted the last voterless polls", she said.

Explaining the seven-point programme advocated by her alliance she said it was aimed at removal of the present Government as well as social justice for the masses. If any alliance or party has any objection to any of the point, they are welcome to tell us, she said.

Sheikh Hasina was critical of the government for arrest and repressions on members of the minority community. They are subjected to different types of harassment on imaginary charges, she said. Such repressions and victimisation are taking place in the districts of Gopalganj, Faridpur, Jessore, Bagerhat, Netrokona, Mymensingh, Khulna Magura, Barisal and Patuakhali, she alleged. Such repressions have increased with the passage of State Religion Bill, she said.

Asked if she knew anything about "Swadhin Bangabhumis Movement" she said the government could best reply it. I have not heard anything about it. It is a ploy to divide the nation and thus prolong the rule of the present government, she said. She further told newsmen that she has heard of involvement of government backed forces behind it.

Though she could not give any exact figure of migration of members of the minority community she claimed that migration was taking place from some places. Painting a very gloomy picture of deteriorating law and order situations, the Awami League chief blamed the government for giving party. She was also critical of the anti-liberation fundamentalist forces and held such elements responsible for attack on pro-liberation forces.

Narrating a pitiable condition of the people in cyclone-hit southern districts she said relief activities in those place were inadequate. She also criticised the government for misappropriation of relief goods received in the country during 1987 floods. Posing a question she wanted to know the reason of selling some of the relief materials instead of distributions those to the people.

Sheikh Hasina said the country has witnessed change of government through bullets since the change over of Government in 1975. She criticised the Government for lavish expenditures in the unproductive sectors.

Sheikh Hasina said the cyclone might have claimed 10,000 lives. The government has failed to give any correct picture of those still missing, she said.

The political context of Pakistan changed following a plane crash, she said. Even Ms Benazir Bhutto could not anticipate before the incident that there could be fair polls in Pakistan, she said. In Pakistan election out of 23 former army personnel only two were elected and fundamentalist forces have been rejected, she said.

Unemployment

Criticising the Government as corrupt she said it was doing nothing for 1.40 crore unemployed including 20 lakh educated youths despite vacancy for one lakh post. There has been almost no fresh government appointment for the last five years she said. In a country where 90 percent people live below poverty line and 68 percent people are landless farmers lavish expenditure in the name of city beautification is ridiculous, she said.

Over one lakh people have become unemployed following closure of 38 industries while 70,000 others retrenched as a result of lay off in mills and factories, she said. There is no financial support for most of the educational institutions damaged during floods and cyclone, she said. Teachers in many places are not getting their salary for months, she said. Farmers in many places are subjected to harassment in the name of recovery of loan, she said. In fact the country's economy has become import-oriented, she said.

Begum Sajeda Chowdhury, General Secretary of Awami League, Mr Kamruzzaman and Mr Zillur Rahman-members of the Presidium and Mr Tofayel Ahmed and Mr Amir Hossain Amu were also present.

Paper Reports Interview With BNP Chairman Zia
46001240 Dhaka THE NEW NATION in English
24 Dec 88 pp 1, 8

[Text] Bangladesh Nationalist Party (BNP) Chairman Begum Khaleda Zia has expressed her party's willingness to participate in election "If it is free and fair".

BNP has been fighting for long for an impartial election under a neutral authority to ensure a genuine democratic government in the country, she told UNB yesterday.

Asked whether her party would join in the elections under the present government if it declared itself neutral, Begum Zia said, "Let the government declare it first".

Citing the example of recent election in Pakistan, she said it could be fair because the government there remained neutral.

Asked about the possibility of a fresh united movement by the opposition alliances, Begum Zia said BNP always sought unity of all democratic and patriotic forces to revive the movement against the 'present autocracy.'

When her attention was drawn to certain remarks by some opposition alliances that united action programme with BNP was not possible until it severed ties with anti-liberation forces including Jamaat-E-Islaami, Begum Zia said "After Liberation of the country, there is nothing which can be called anti-Liberation or Pro-Liberation.

She however hastened to add that BNP would deploy all its strength to resist any attempt against the country's Independence and Sovereignty.

The BNP leader further stated "Jamaat is a different political party...we do not dictate its programmes as we did not do it when Jamaat participated in 1986 polls along with other political parties.

Referring to the half-day hartal on November 28 last jointly called by the Seven-Party Alliance and the Jamaat, Begum Zia said the strike on that day was supported by all political parties and alliances except Awami League led Eight-Party Combine.

Asked to comment on a reported allegation by some political leaders that BNP has 'clandestine entente' with the government, she threw a challenge to those by saying 'let them prove it.'

Begum Zia said many of those who make such comments had welcomed Martial Law in 1982.

When her reaction was sought on the expulsion of seven BNP leaders including herself by the dissident Obaid Group at its council session Thursday, Begum Zia declined to comment. 'I don't comment on those people who had already been expelled from BNP', she said.

Begum Zia said the council session of her party would be held towards the end of January or early February. It was earlier scheduled to be held in December but had to be postponed because the party's district level conferences could not be completed.

She said conferences in about 50 out of 75 districts had so far been held while the rest were expected to be completed in the next few weeks.

INDIA

Paper Reports FRG Export of Nuclear Material to Pakistan
46001203 Bombay THE TIMES OF INDIA in English
10 Jan 89 p 7

[Text] Bonn, January 9 (UNI). A West German official inquiry has confirmed that the nuclear services company Neu Technologies GmbH (NTG) had exported to Pakistan a plant for the separation and enrichment of tritium and several other machinery and materials which could be used for the manufacture of nuclear bombs over a period of five years.

The state prosecutor's office in Hanau, in the state of Hessen, which has been investigating the alleged illegal export of nuclear technology and materials to Pakistan by the NTG and an associated company, the Physikalische Technische Beratung (PBT), said investigations until now have confirmed its earlier allegation "in full extent."

The state prosecutor's office had said last month that it had found evidences for the illegal export of nuclear technology and materials to Pakistan while searching the offices of the two companies and during questioning of their senior executives.

The prosecutor's office has now presented the results of its preliminary investigations against the two companies and their chief executives, Mr Rudolf Ortmyer and Mr Peter Finke, to the West German government, the "Welt Am Sonntag" newspaper reported yesterday.

The findings of the prosecutor's office until now were confirmed by the staff of the two companies and also by the two accused. The investigators have confiscated documents confirming their earlier suspicion against the two firms and have issued arrest warrant against Mr Ortmyer, who was dismissed from the company last year for irregularities, the newspaper said.

The investigations confirmed that the NTG had exported to Pakistan last year a tritium separation and enrichment plant as well as 3,000 curie tritium with a purity of 96 percent. Tritium, an isotope of hydrogen, is used in the manufacture of atom bombs, but it could also be used for the manufacture of hydrogen bombs.

Mr Ortmyer and Mr Finke have admitted to the prosecutors they have had the suspicion that Pakistan had procured the plan surreptitiously with the intention of manufacturing hydrogen bombs.

The NTG and Pakistan had also agreed on the supply of a further 300 litre tritium. According to the present level of investigations, the NTG had procured the tritium in Switzerland. The total value of the illegal nuclear exports to Pakistan is estimated to be around dm 20 million, the prosecutors said.

Investigations by the prosecutors also confirmed the following: Mr Ortmyer and Mr Finke had established contacts with the Pakistani atomic energy commission officials already in 1982. In the subsequent years, the two Germans have met representatives of the Pakistani atomic energy commission for about 20 times.

Mr Ortmyer and Mr Finke subsequently agreed with the Pakistanis on the supply of components for the setting up of a plant for nuclear fuel and the setting up of a tritium separation and enrichment plant.

In 1987, the two accused exported to Pakistan two vacuum melting ovens for the melting of natural uranium.

Also in 1987, the two companies exported a tritium separation and enrichment plant as well as 3000 curie tritium.

The West German government is expected to announce on Tuesday more stringent measures to prevent illegal exports of technology and materials in the areas of nuclear energy and chemical weapons.

Report on Gandhi Speech at Aizawl Election Rally
46001259 Calcutta THE TELEGRAPH in English
14 Jan 89 p 4

[Article by Santanu Ghosh]

[Text] Aizawl, 13 Jan—The Prime Minister, Mr Rajiv Gandhi, today said the Centre would come down with a heavy hand on those who were threatening to resort to violence if they lost the 21 January elections.

Addressing an 8,000-strong election rally at the Assam Rifles ground here this afternoon, Mr Gandhi said any resurgence of violence in this tribal state would be detrimental not only to the Mizos, but the entire nation.

Without naming Mr Laldenga, but hinting at the MNF [Mizo National Front] for trying to inject violence into the poll scenario, Mr Gandhi made it clear that his government would not "tolerate any attempt at destabilisation" in this remote north-eastern state.

Mr Gandhi referred to the Zoro movement of the Opposition People's Conference demanding the integration of the Mizo-inhabited areas of India, Burma and Bangladesh and said, "Any organisation suggesting agitation or working against peace will only jeopardise the process of development."

In his 45-minute speech, Mr Gandhi said the MNF government under Mr Laldenga had not only neglected development work but also failed to implement the Mizo peace accord. He said the Congress(I) had fulfilled its promise to bring peace to Mizoram by bringing in the accord and letting the MNF form the interim government. But the MNF had failed to deliver the goods.

In a scathing attack on the MNF Mr Gandhi referred to the pre-accord insurgency days and said "The capacity of one to whip up violence does not mean that he (Mr Laldenga) can run a government and ensure development."

The Prime Minister, on the second lap of his election tour in the state, addressed meetings at Chamai, Hanathial and Kolosib. Mizos came to the meetings wearing multi-coloured caps made of cardboard and waving congress flags they danced at the venue for about an hour before Mr Gandhi arrived.

A local band sang songs written for the elections. The crowd clapped and at times played drums in approval of Mr Gandhi's speech. Intelligence sources said while the crowds at Champai were thin, the gathering at Hanathial was large.

Mr Gandhi promised that his party would safeguard the Mizo heritage and culture and said economic development in the region should be in conformity with the tribal way of life. At the same time, the development and security of the minorities in Mizoram like the Paite, Gorkhas and Bengalis should also be ensured, he added.

More autonomy to the minorities dominated district councils had been ensured with the recent amendment to the Sixth Schedule of the Constitution Mr Gandhi said. He promised greater economic development for Mizoram.

The Prime Minister also said the Centre's commitment to the state government employees of Mizoram regarding pay rise and promotions would also be fulfilled.

Agencies Add

The seven-hour bandh called by the All-Cachar and Karimganj Students Association (ACKSA) at Silchar on the occasion of Mr Gandhi's arrival on a brief stopover en route to Mizoram was partial and ended peacefully at noon today.

While private vehicles were off the roads and shops remained closed, government offices and banks functioned normally. The students were protesting against non-fulfillment of a "promise" by Mr Gandhi that a central university would be set up in Barak valley.

No Change Seen in Policy Toward Israel

46001257 Madras THE HINDU in English
14 Jan 89 p 5

[Article by K.K. Katyal]

[Text] New Delhi, 13 Jan—India has no plans for establishing full diplomatic relations with Israel—not in the foreseeable future in any case. The present policy will continue till the problem created by Israel's occupation of the Palestinian territory is resolved.

There had been intense speculation, of late, about a change in the Government's stand. Three factors appeared to lend substance to conjectures. One, the sudden, dramatic turn of events, marked by the declaration of the PLO leader, Mr Yasser Arafat, that he "accepted the existence of Israel as a State." Two, the

thaw in Moscow's attitude towards Israel, with Tel Aviv ceasing to be an untouchable to the Soviet Union. And, finally, the presence here of a delegation of American Jews—three members of the American Jewish Anti-Defamation League—and, their meetings with the Minister for External Affairs, Mr P.V. Narasimha Rao, and the Secretary (West), Mr Alfred Gonsalves, among others. Initial official reticence, followed by non-committal comments of the Foreign Office spokesman served to strengthen the impression of an impending policy change.

The Jewish team, it is learnt, pleaded hard with the Indian Government for diplomatic ties with Israel, but returned empty-handed. The visiting delegation sought to make a case for a change in New Delhi's attitude, saying that Israel has all the attributes of statehood while the PLO with which India had established diplomatic relations could not put forward any such claim and, on the contrary, was associated with the spread of terrorism in the world.

Argument Fails

India, they were told, gave the highest priority to the solution of the problem, created by Israel's denial of the rights of the Palestinians and would prefer to stick to the present policy till then. According to the Jewish delegation, India's diplomatic ties with Tel Aviv would help and not hinder the moves for ending the West Asian crisis. They cited the case of Sweden which could not have played a helpful role—leading to contacts between the PLO and the U.S. government—in the absence of diplomatic relations with Israel. The Indian representatives did not buy the argument.

There was nothing unusual, according to an official explanation, in the Minister or the official seeing the delegation which, after all, consisted of the U.S. citizens. The ADL [Anti-Defamation League] had approached the Indian Embassy in Washington for an opportunity for talks. The mission passed on the request to New Delhi.

India, it appears, is keenly watching the outcome of the contacts between the PLO and the U.S. representatives, as also the fall-out of the changed perceptions in several western capitals of Mr Arafat's role in the present context.

India, USSR Sign Agreement on Aircraft Purchase

46001258 Calcutta THE TELEGRAPH in English
14 Jan 89 p 5

[Text] Moscow, 13 Jan (UNI, PTI)—India and the Soviet Union today signed some major agreements under which India will acquire civilian aircraft for Indian Airlines, Air-India and Vayudoot.

This is reported to be a sequel to the refusal by a major western aircraft firm, to honour its commitment to sell India four jumbos.

Under the Indo-Soviet agreement, India will get six Il-62 and Tu-154 aircraft. Of them, two will reach Delhi by 15 February and the rest in the next three months.

The civil aviation and tourism secretary, Mr S. K. Mishra, said here yesterday that the aircraft would be given on wet lease. Differences over payments have been sorted out, he added.

India expects an agreement with the Soviet Union in the next two months on securing 10 Tu-204 and Il-96 aircraft for Indian Airlines and Air-India, which are likely to join the Indian fleet by 1992. Negotiations on the subject are continuing, Indian sources disclosed here.

The most significant aspects of the package of agreements include co-production of AN-28 aircraft in India for Vayudoot with the Soviet Union expected to offer the know-how.

The 70-seater AN-28 will be modified to a 27-seater aircraft. India has indicated that it would immediately buy 30 planes of this type to meet Vayudoot's urgent needs.

The documents envisage joint operations in third countries. The scheme for the present covers Delhi-Harare and Moscow-Harare routes and is expected to begin next month.

For flights in its mountainous terrain, India is likely to get the 28-seater MI-17 from Moscow. So far this type of plane is being used exclusively by the Indian Air Force. Even in the Soviet Union it is used for carrying cargo in the mountainous regions.

Ten More Checkpoints Planned for Nepal Border *46001261 Calcutta THE TELEGRAPH in English* 9 Jan 89 p 5

[Text] Calcutta, 8 Jan—The Centre has sanctioned 10 checkpoints along the Indo-Nepal border in Darjeeling district to prevent smuggling, home department sources said here today. There are already 12 such checkpoints in the district.

Sources said the new checkpoints would be set up at Lohargarh, Sandakphu and Naxalbari areas of Darjeeling district, as well as Tinling, Tonglu, Seinana, Gopaldhara, Manjha, Bara Maniram Jote and Kharibari.

The sources said the checkpoints would reduce the existing gaps along the 144 km international border and check infiltration and smuggling.

Six checkpoints had been set up along the border at Phalut, Manebhanjang, Pashupati, Milikthons, Raniganj (Panitanki) and Debiganj in 1976 to regulate the entry of Nepalese into India.

The Centre had sanctioned another six checkpoints at Rimbik, Bijanbari, Sukhiapokhri Bazar, Mirik, Soureni and Kharibari in January 1986. The West Bengal government had been demanding additional checkpoints to curb infiltration and smuggling in the wake of the "Gorkhaland" agitation.

Foreign Banks Told To Lend to Priority Sector *46001266 Madras THE HINDU in English* 5 Jan 89 p 4

[Text] New Delhi, 4 Jan—Foreign banks operating in India have been instructed to give to the priority sector a maximum of 15 percent of their total lendings, beginning with 10 percent for the moment.

The instructions sent to these banks from the Reserve Bank of India set down a time frame for these banks to achieve the target of 15 percent in three stages. While the 10 percent lending is to be achieved by March this year, the level is to be raised to 12 percent by March-end next year and eventually to 15 percent by March 1992.

Till now, the foreign banks here were not obliged to lend to the priority sector which made their operations highly profitable. In contrast, the Indian banks have a mandatory provision to disburse 40 percent of their total lendings to the priority sector which includes farmers, small-scale industries, retail trade and small transport operators. Recently, a decision was taken to include housing loans also in the priority sector.

Unprofitable Operations

This situation of mandatory lending for the Indian banks has brought down their profitability substantially since some of the priority sector lendings such as those for agricultural and rural operations were clearly unprofitable. Consequently, there was subtle pressure on the Finance Ministry from the banking sector to impose similar obligations on the foreign banks so as to bring about some parity in the operations.

The recent instructions are a consequence of this pressure. However the conditions imposed on the foreign banks have been deliberately kept soft in order to avoid any drastic policy change leading to the possible withdrawal of these banks from the country.

For instance, the 10 percent target set for March 1989 will not be difficult for the foreign banks to achieve since some six percent of their lendings is already going to some of the priority sector areas. Moreover, a major concession to these banks is that their financing of export

organisations will be included in priority sector lending. Since foreign banks are already in this line of business, much of their new obligations will be taken care of through export financing.

Rural Branches

Another major sop to the foreign banks is that they will not be required to set up rural branches, one of the most high-cost low-return operations of the Indian banks. Lendings to the agriculture sector are also expected to be minimal since the expectation is that the foreign banks will be able to fulfil their priority sector obligations through some of the profitable areas on this list. Consequently, the high profit margins of the foreign banks are not expected to be eroded much even with the new obligations on them.

Although there are some 21 foreign banks with 136 branches operating in India, their area of operation is quite restricted and estimates are that they account for only about three percent of the total banking operations in the country. These banks have, however, been pressing for a large share in the operations through more branches and diversification in activities like mutual funds, stock broking, venture capital funds, leasing, etc.

Report on Resolution of Shiv Sena Annual Convention

46001269 Calcutta *THE TELEGRAPH* in English
1 Jan 89 p 1

[Article by Lekha Dhar]

[Text] Pune, 31 Dec—The Shiv Sena today unanimously passed a resolution demanding a constitutional amendment to change the name of India to "Hindustan" at its third annual convention which began here yesterday.

Copies of the resolution will be sent to the Prime Minister, the President and the home minister, the Shiv Sena MLA [member of Legislative Assembly], Mr Chhagan Bhujbal, who passed it said. The resolution was seconded by the former Shiv Sena mayor of Bombay Dr Ramesh Prabhoo.

Besides citing historic reasons for the need to convert India to "Hindustan" the volatile Sena MLA said only Hindus followed national programmes like family planning. Christians and Muslims were opposed to them, he said, citing the Bombay Archbishop, Dr Simon Pimenta, and the Imam of Bukhari's statements against abortion.

Mr Bhujbal's resolution was endorsed by an audience of 40,000 Sena shakha pramukhs attending the two-day convention at the Hutatma Chapekar Bandhu Punyabhumi on the S. P. College grounds.

The Shiv Sena strongly protested the chief minister, Mr Sharad Pawar's recent statement that he would "crush" the Shiv Sena for its blatant promotion of communalism.

Vehemently condemning the state government's high handedness and harassment of Shiv Sainiks, the resolution declared the constitution of a committee to look into this problem. The five-member committee, which includes the Sena MLC [member of Legistave Council], Mr Pramod Navalkar and the advocate, Mr Leelandhar Date will fight atrocities against Sainiks and arrange legal aid for those detained under NSA [National Security Act] or extermed by the government.

The resolution urged the Maharashtra government to set up an autonomous authority to look after places of historic and religious importance to Hindus which were being ruined by neglect and pollution.

The Shiv Sena did not forget its now abandoned cause of "Maharashtra for Maharashtrians." Two resolutions promoted the cause of Maharashtrians and Marathi. A four-member committee has been set up to provide jobs for unemployed youth. The resolution said due to the efforts of the Shiv Sena's Lokadhikar Samiti and Kamghar Sanghatana, at least five lakh Maharashtrians had obtained jobs. The Shiv Sena will oppose computerisation in all job sectors.

Attacking the government's apathy towards Marathi the Shiv Sena "promised 100 percent use of Marathi when we come to power in 1990."

Taking up the long-pending Maharashtra-Karnataka border dispute, the former Sena mayor of Bombay, Mr Dattaji Nalawade, urged the state government to compel the Centre to settle the matter. Forcefully seconding the motion, the deputy mayor of Belgaum municipality, Mr Appajirao Patil, castigated the erstwhile Mr Ramakrishna Hegde government for making Kannada compulsory in schools and government offices. Mr Patil pointed out that in a corporation where 36 of the 51 corporators were Marathi-speaking, they had to put up with Kannada hegemony. Sixty-nine people had laid down their lives for the cause of 'Sanyukta Maharashtra' and lakhs of people wanted merger of the disputed areas of Nipani Karwar and Belgaum with Maharashtra, Mr Patil said.

BJP Leaders Score Namboodiripad 'Tantrums'

46001267 Bombay *THE TIMES OF INDIA* in English
5 Jan 89 p 10

[Text] New Delhi, 4 Jan—Hitting back at the communists in the aftermath of the just-concluded 13th CPM [Communist Party of India, (Marxist)] congress, the BJP [Bharatiya Janata Party] yesterday warned the opposition parties that they must beware "the communist game" and "firmly reiterated an independent, genuinely nonaligned foreign policy," even as they were trying to unite to defeat the government.

In a statement, two All-India secretaries of the BJP, Mr J.P. Mathur and Mr V.K. Malhotra, said the CPM and its associates had no credentials to offer to fight the Congress government and defeat it in the next election.

The "tantrums" of E.M.S. Namboodiripad, the CPM general secretary, against the BJP "and his over-emphasis over so-called communalism is only a clever device to shroud his real designs," they added.

Criticising the recent stance of both the CPM and the CPI, the BJP leaders said "they were trying to activate the "Pro-Soviet lobby within the government and hustle both the ruling party and the joint opposition, to take up this Russian line of a Moscow-Beijing-New Delhi Axis."

The statement said Mr Namboodiripad was in a state of "political delirium" because of his "mortal fear" of the BJP and observed that not only other parties, but many in his own party had chosen to ignore this delirium.

The BJP leaders also accused the CPM of making a false claim of having a greater influence than the BJP in the Hindi belt. This was with a view to misleading the people, they noted.

They said it was significant that while the recent CPM congress had failed to draw up the party's electoral policy for the coming Lok Sabha poll, Mr Namboodiripad was all along "obsessed" with the BJP.

By not declaring its election strategy, the BJP leaders said the CPM had tried to keep "both options" open—of returning to selectively supporting the government to push it further toward the Soviet camp and establishing a response to the widespread popular demand for the ouster of the government.

The statement recalled that the concept of an all-embracing anti-Congress front had first been proposed and worked by Mr Namboodiripad in Kerala in 1957. The CPM leader had "no qualms" about "communal divisive forces" when he partnered the Muslim League and the Kerala Congress, the BJP said.

Even in the forthcoming Tamil Nadu assembly elections, the CPM "and other communist groups" were in alliance with various AIADMK [All India Anna Dravida Munnetra Kazhagam] factions along with factions of the Muslim League, the BJP statement noted.

The BJP general secretary, Mr Kedar Nath Sahni, said in an informal statement that it would be naive of the opposition parties to believe that the ouster of the government in elections could be secured without the BJP in states which send up the largest number of MPs.

He cited this as a possible reason for Mr Devi Lal, the Haryana chief minister and chairman of the Janata Dal parliamentary board, to talk about the need of bringing the BJP into the National Front.

But, he said, his party was "amused" over the confusion in the ranks of the non-Communist opposition over the question of reaching an understanding with it.

Well-placed BJP sources counterposed Mr Devi Lal's attitude towards the BJP with that of Mr V.P. Singh, the Janata Dal president, that the Dal would discuss its future relationship with the BJP only after a meeting of its executive on 12 January. Mr Singh does not speak of the left parties in the same way, sources said.

They also noted Mr Devi Lal's reported statement that he would have nothing to do with the communists if they set up candidates against the BJP in a three-way system of poll adjustment as they had done in the Haryana assembly election last year.

Swamy Studies Allegations of Official Corruption
46001265 Calcutta THE TELEGRAPH in English
6 Jan 89 p 1

[Article by Sankarshan Thakur]

[Text] New Delhi, 5 Jan—Janata leader and self-styled super sleuth of Indian politics, Dr Subramanian Swamy, has just returned home from Europe where he spent a week picking gunpowder to pack the time bomb he has been threatening to detonate on 14 January.

He had left on the mission, he says, already armed with "explosive enough" information on illegal foreign bank accounts held by prominent Indian personalities. He seems to have returned with the fuse on fire.

"I needed confirmation of the information I had and that is what I have got," he says. "If, on the basis of documents produced, people can believe that Mr Rajiv Gandhi has taken money in the Bofors deal, then there is 10 times more reason for them to believe in what I have to say."

Dr Swamy claims to have drawn up a list of 154 leading Indians who have illegal bank holdings abroad. It includes senior defence officials, serving and retired, businessmen, journalists and, of course, politicians.

"The politicians," he remembers to clarify, "do not belong only to the Opposition but to the Congress(I) as well." But the only name he is ready to reveal yet is a former Independent member of the Rajya Sabha—Mr Dharam Chand Jain, who has substantial mining interests in Bihar. "For the rest, you shall have to wait till 14 January. I can only tell you now that I have proof in the case of four nationally known politicians, one of whom is dead."

Dr Swamy's assignment took him to Frankfurt, Paris and Geneva, but his key appointment was at a hilltop mansion in Marbella (Spain) on New Year's Eve. Dr Swamy claims that his long meeting with the notorious

international arms dealer, Adnan Khashoggi, and his even more notorious guru, Chandra Swamy, was a success. "I got out of Khashoggi what I wanted to. He extended all the help."

He is not ready to reveal, though, what exactly the nature of that "help" was. What Dr Swamy is ready to disclose is that he travelled around Europe in the Saudi billionaire's private luxury DC-8 and was airlifted in a helicopter from the Marbella airport to Khashoggi's mansion.

Apart from Khashoggi, Dr Swamy met international arms dealers and financial operators in the European cities he visited in his bid to glean more on illegal foreign accounts and the Bofors deal. According to Dr Swamy, his talks revealed two important things:

- That there has been a "well planned" move on the question of enlisting the services of Fairfax. "It was not an ordinary move as Mr V.P. Singh has suggested."
- That there was "no way" Mr V. P. Singh would not have known that prominent Indians hold illegal foreign bank accounts.

"The government of India," Dr Swamy says, "has full-time agents of the finance ministry posted in places like Dubai and Geneva. And they spend crores of rupees a year buying the services of foreign detectives to gather intelligence. Why go out of the way to hire Fairfax then?"

Among the allegations that Dr Swamy is preparing to level at the Janata Dal chief, Mr V. P. Singh, is that he not only did not investigate illegal foreign accounts while he was the finance minister, but also that he "shut his eyes to the suspicious activities of his friend Arun Nehru" while both were in the Union government.

"Going by the information I have, Mr Arun Nehru is completely involved in the Bofors deal. He knows the truth about the affair because he was totally in it. Also, Mr Arun Nehru's movements in Europe should have been scrutinised. He, too, was among those who had links with Adnan Khashoggi." Dr Swamy would not say whether he has anything concrete to directly implicate Mr V. P. Singh or Mr Arun Nehru in the financial scandals he has been probing, but he would not deny that either. "Wait till 14 January," he repeats.

Army Plans for Use of 150-MM Bofors Gun Told
46001262 Bombay THE TIMES OF INDIA in English
9 Jan 89 p 10

[Text] Babina, 8 Jan (PTI)—The 155 mm Bofors gun will be soon inducted into the Indian army's main strike force, the elite Armoured Division based here.

This will greatly enhance the existing fire power of the division, nicknamed "White Tigers," said the general commanding officer, Major General Ajai Singh.

The division, raised in 1973 after the last Indo-Pak war, was the first Indian mechanised force to have been tasked for urban insurgency operation in the swampy and jungle terrains of Sri Lanka.

The mechanised force had spearheaded all actions leading to the capture of the Jaffna peninsula from the LTTE [Liberation Tigers of Tamil Eelam] militants.

A group of visiting newsmen was recently given a taste of the fire power and night and amphibious combat capabilities of the "White Tigers" in its firing ranges on the borders of Uttar Pradesh and Madhya Pradesh.

"The enemy is destroyed and we have captured the positions," declared the officer commanding, as the Soviet made T-72 tanks and the 'BMP' armoured personnel carriers fired their main turret guns striking the target with clinical precision in pitch dark conditions.

The T-72s, one of the most acclaimed tanks in the world and the 'BMP' can destroy their targets with ease at night with the help of the night vision infra-red search-lights fitted for the commander, gunner and the driver.

The search-lights can illuminate areas up to 1,100 metres for the gunner, Maj Gen Singh said while talking to newsmen. These tanks are also fitted with arc lamp search light which can engage targets at 800 metres by literally turning night into day.

The modern BMP-2S, fitted with 30 mm cannons and 'Concourse' missiles, can be employed for both ground as well as air targets.

The BMP-2S can easily move through deep waters using its tracks as propellers and come in handy in landing operations.

The newsmen also witnessed a 'mock' battle with the 135 artillery guns giving cover to the rapidly advancing tanks and BMP-2S in the hilly terrains of the firing ranges. The anti-aircraft 'Chilkas' fired to ward off attack helicopters and the targets were captured in no time.

Maj Gen Singh said the division urgently required a good self-propelled 155 mm gun to give better mobility to the strike force.

He said the Bofors gun purchased by the Indian Army, which will be later manufactured in the country under licence, was far superior to the French 'Giat' 155 mm Howitzers.

Long-Range Missile To Be Test Fired From Orissa Range

46001263 Bombay *THE TIMES OF INDIA* in English
9 Jan 89 p 10

[Text] Bangalore, 8 Jan (UNI)—India's first long-range missile "Agni" with a range matching that of the intermediate range ballistic missile (IRBM) at 2,500 km, will soon be test-fired from the interim test range at Baliapal in Orissa.

"Agni" would be the summit of the country's integrated guided missile programme launched in 1983. This surface-to-surface missile would feature a first stage solid-propellant engine and a second stage liquid-fuelled motor, official sources said.

The sources said the missile was receiving finishing touches at the defence research and development laboratory (DRDL) in Hyderabad. Dr A. P. J. Abdul Kalam, director of DRDL, who had played a key role in the successful launch of the short-range "Prithvi" missile, was involved in this venture too.

Dr Kalam was the leader of the space team which successfully launched the satellite launch vehicle (SLV-3) in 1980.

The "Agni's" first stage motor would be the same as that used by the SLV-3 series rockets, which had a range of 1,500 km.

The sources said "Agni" would have the twin microprocessor-based missile guidance computer with interrupt driven real time software. Some of the studies on its design, the control guidance system and other systems were carried out by DRDL scientists in collaboration with researchers at the Indian Institute of Science under the joint advanced technology programme.

If successfully test-fired, the "Agni" venture would usher India into an exclusive group of countries which have the capability to design and fabricate such a missile. It would also take the country forward in self-reliance in defence preparedness.

India drew global attention when the "Prithvi" missile was test-fired from the Sriharikota rocket launch (SHAR) station on 25 February last, making it only the fifth country in the world to build and fire a missile of the 250 km range.

"Prithvi" incorporates advanced inertial navigation and guidance system and the onboard mission control computer for accuracy.

The Prime Minister, Mr Rajiv Gandhi, told Parliament on the day of its launch that the missile would be inducted into the armed forces after the necessary number of tests.

Press Reports on Establishment of Janata Dal

Recognition Sought

46001260 Madras *THE HINDU* in English
5 Jan 89 p 9

[Text] New Delhi, 4 Jan—The Election Commission was formally urged today to recognise the Janata Dal as a national political party and to transfer the Janata Party's election symbol (farmer with a ploughshare ringed by a wheel) to the Dal. An application submitted on behalf of the Janata Party, the Lok Dal and the Janata Dal also requested the Commission to freeze the election symbol reserved for the Lok Dal (farmer ploughing the field).

Together with the application, affidavits sworn by Mr V. P. Singh, president of the Janata Dal, Mr Ajit Singh, president of the Janata Party, and Mr Devi Lal, president of the Lok Dal, in support of the recognition of the Dal were submitted.

They claimed that the Dal had legislators in nine States and in the Union Territories of Delhi and Pondicherry. The benchmark for recognition as a national party is representation in the legislatures of at least four States. Thus the Dal satisfies the test laid down in the Election Symbols (Reservation and Allotment) Order 1968.

Mr J. P. Goyal, the Janata Dal's legal expert, explained to reporters that even though the Dal was born out of the amalgamation of the Janata Party and the Lok Dal, it would be deemed to be a new party, and hence the application for its recognition had been signed not only by Mr Ajit Singh and Mr Devi Lal but also Mr V. P. Singh.

The States where the Dal has members in the legislature are Bihar, Gujarat, Haryana, Karnataka, Kerala, Maharashtra, Orissa, Rajasthan, Uttar Pradesh, Delhi and Pondicherry.

Giving a fairly detailed account of the circumstances leading to the emergence of the Janata Dal, the application spoke of the need for a national alternative to the present ruling party at the Centre for the preservation of democracy. It also gave a chronological account of the events culminating in the Dal's formation. Various supporting documents were annexed.

Mr Goyal said the Janata Dal legislators in all the States and in Parliament would soon swear affidavits which would be placed in due course before the Election Commission to substantiate its claim for recognition as a national party. Mr Asoke Sen and Mr Goyal would argue the case before the Commission.

'Acting President of Janata'

While the Janata Party and the Lok Dal today notified the Election Commission of their merger with the Janata Dal, Mr Indubhai Patel appointed himself as acting

president of the Janata Party. Mr Chandra Shekhar, former Janata Party president, had specially created the post of vice-president of the Janata Party for Mr Patel early last year even though the party constitution has no provision for it.

A statement issued in Mr Patel's name, but without his or anyone else's signature on the Janata Party letterhead, said since Mr Ajit Singh, Janata Party president, had left the Janata Party and joined another party as Secretary General, "I have, on the authority of the party constitution and the accepted contingency practices of the party, agreed with the senior leaders of the Janata Party to discharge with immediate effect the functions and duties of the Janata Party president in the capacity of acting president till a formal election of the president at a national convention of party workers."

V. P. Singh Meets Press

46001260 Calcutta *THE STATESMAN* in English
13 Jan 89 pp 1, 7

[Text] New Delhi, 12 Jan—The Janata Dal "will not recognize" any individual or group that claims to represent any of its constituent parties, Mr Vishwanath Pratap Singh declared here this evening. The Janata Dal has been properly formed "and nobody could call himself the Janata Party, Lok Dal or Jan Morcha," the president of the Dal said, explaining the process by which the new party had come into being.

(The party's parliamentary board, at its first meeting, also decided to ask the National Front to derecognize these parties as its constituents. It maintained that the front now had only five constituents, the Telugu Desam, Asom Gana Parishad, DMK [Dravud Nybbetra Jazgagan], Congress(S) and Janata Dal, instead of the earlier seven, adds UNI.)

Mr V. P. Singh was addressing the Press on the first meeting of the Central Parliamentary Board of the Janata Dal held earlier in the day, and proceeded to discuss a wide range of political issues. He also announced the formation of a committee, to be headed by Mr I. K. Gujral, to formulate the foreign policy document of the party.

The Parliamentary Board has decided that the Janata Dal Governments in Haryana and Karnataka will take the earliest possible action to ratify the Bill approved by Parliament to reduce the voting age to 18 years. Special sessions of those State Assemblies will be summoned, if necessary.

The demand to give people aged 18 years and above the right to vote had been made by the Janata Dal initially, Mr V. P. Singh observed. It would also prepare the youth for an agitation in case the Congress(I) now seeks to adopt dilatory tactics. While he made it clear that he was

speaking as the president of the Dal, he added that the National Front was asking the Assam and Andhra Pradesh Governments to take similar action on the matter.

Discussing the point he had made about the Janata Dal not recognizing people who claimed to represent one of its constituents, Mr Singh said the Janata Party, Lok Dal, and Jan Morcha had, at their highest levels, resolved to dissolve themselves and form the new party. Therefore, the earlier parties did not exist.

However, he said he would not offer any opinion on what view the Election Commission might take of the subject. What about the National Front? The other constituents of the front, Mr Singh said, would have to decide on their position. When it was pointed out that Mr Bahuguna was attending meetings of the front, he said that those were meetings which had been scheduled earlier and invitations issued then.

Mr V. P. Singh declined to comment on the seven-party national campaign committee which had announced its formation yesterday. He saw no difficulty in the Janata Dal cooperating with the Left parties or the Congress(S)—but since it did not recognize the Lok Dal, Jan Morcha or Janata Party, there could be no dealings with them.

Relations with the Bharatiya Janata Party [BJP] did not figure at today's meeting. "There is no election at hand, so how can there be talk of seat adjustments now"? he asked. He refused to reply to a question that Mr Devi Lal had claimed that he was asked by the Janata Dal to negotiate with the BJP. When it was pointed out that the Left parties had dubbed the BJP "communal," Mr Singh said that the Opposition parties would gain nothing by calling each other names. That was what the Congress(I) would want them to do.

Pressed further, on the Janata Dal having a Government in Haryana with the support of the BJP, Mr Singh said that the Government had been formed before the Dal and it was "an existing arrangement." But such arrangements in the future "are not under consideration."

Mr Singh said the Janata Dal "took cognizance of, and appreciated" the fact that the Left parties had welcomed its formation. When asked about certain conditions which the Left parties had said would be necessary for them to cooperate with the Janata Dal, he said his party would decide its policies and programmes on merit, and would not be influenced by what others might wish them to do.

Mr Singh said the details of the Janata Dal's position on foreign affairs would be made public after the Gujral Committee prepared its report. So far, only a chairman of the committee has been appointed. Other appointments are to follow.

UNI adds: The meeting was attended by all but three of the 21 board members, including Mr Devi Lal, Mr Ajit Singh and the Karnataka Chief Minister, Mr S. R. Bommai, and Mr Biju Patnaik. Mr Chandra Shekhar is down with malaria; Mr Madhu Dandavate is abroad and Mr T. S. Yadav could not come.

National Front Recognition

46001260 Bombay *THE TIMES OF INDIA* in English
14 Jan 89 p 1

[Excerpt] New Delhi, 13 Jan—The National Front chairman, Mr N. T. Rama Rao, today announced that the Front would recognise only the Janata Dal as its constituent and not the Janata Party, the Lok Dal and the Jan Morcha.

Accordingly the seven-party front will now have only five constituents—the Telugu Desam, Asom Gana Parishad, DMK [Dravida Munnetra Kazhagam], Congress (S) and the Janata Dal.

He added that the Janata Party, the Lok Dal and the Jan Morcha had formally merged with the Janata Dal, noting that there ought to be some discipline. He said that these breakaway groups could not go on claiming that they were separate political parties.

Mr Rama Rao told reporters after a meeting with the Janata Dal president, Mr V. P. Singh, that the presidium of the Front would review the situation shortly. But Mr H. N. Bahuguna and Mr Ram Dhan, who were members of the presidium, had not informed him of their decision to retain the identities of their parties. They would not be invited to the presidium meet.

Before his meeting with Mr Singh, Mr Rama Rao, expressing his distress at the stand taken by Janata dissidents, declared that as the front chairman it was his duty to see that there was cooperation and co-ordination among the existing parties in the Front.

Mr Rama Rao later left for a week's election campaign in Tamil Nadu. He told reporters that he had been brushing up his Tamil. He said, "The first National Front government will begin with the DMK capturing power (in Tamil Nadu)."

He was of the view that the DMK, which is part of the Front, would emerge victorious and form the government. "The first National Front government will begin with the DMK capturing power," he said. [passage omitted]

IRAN

Four New Jetties To Be Built at Anzali Port

46000095a Tehran *KAYHAN INTERNATIONAL*
in English 9 Jan 89 p 6

[Text] Rasht, Gilan Prov. 8 January (IRNA)—Four new jetties will be shortly built at Anzali Port raising the number of jetties there to eight said an official of the port and shipping office in Anzali.

With the construction of the new jetties, Anzali Port will be able to handle two million tons of cargo loads annually, he added.

With its current loading and unloading capacity of one million tons annually Anzali already plays a key role in sea transportation via the Caspian Sea.

Some 300,000 tons of goods have been unloaded at the port since the beginning of the year (21 March 1988), he said.

Computers have been installed at some of the country's southern ports and added that soon all Iranian ports will be equipped with computers.

Final Phase of Bridge Construction Begins

46000095b Tehran *KAYHAN INTERNATIONAL*
in English 17 Jan 89 p 6

[Text] Tehran, 16 January (KAYHAN INTERNATIONAL)—The final phase of the installation work of a 1,800 meter-long bridge over the Urumieh Lake in the West Azarbaijan Province, which joins the two ends of the Martyr Kalantari Highway, was started on Sunday.

According to the Persian daily, KAYHAN on completion of installation work, Martyr Kalantari Highway linking the eastern and western shores of the lake will open to the temporary use of the public.

"The highway will curtail the distance between the city of Tabriz (the capital) of the East Azarbaijan Province) and the city of Urumieh (the capital of the West Azarbaijan Province) by 139 kms," the daily said.

Standards Institute Warns About Inferior Quality of Goods

46000096b Tehran *KAYHAN INTERNATIONAL*
in English 17 Jan 89 p 8

[Text] Tehran, 16 January (KAYHAN INTERNATIONAL)—The head of Iran's standards institute warned the public during a press conference about the diminishing quality of the domestically manufactured goods and the consequent problems posed as financial and health hazards.

He also announced that plans are underway to punish the violators of the country's established standards codes.

Dr Ali Tofigh the head of Standards and Industrial Research Institute of Iran said that the present available standards codes were legislated into laws in the past and that the punitive measures (fines and imprisonments) foreseen in those laws are inadequate to deal with the present problems. That is why efforts are being made to abolish, reform or upgrade these laws, he added.

He said that the institute is after raising the amount of fines in order to leave a more lasting impacts on the violators so that they think twice before deciding to ignore the prescribed safety and quality standards.

In this connection a draft law has been written and negotiations are continuing with the Majlis (parliament's) specialized committees and if the propositions are legislated there will be major developments in the country's standards codes and their applications.

Tafiq also said that the institute is planning to mobilize and increase all possibilities at its disposal to confront productive units producing substandard goods.

Iranian Engineer Invents New PCB Polymer
46000096a Tehran KAYHAN INTERNATIONAL
in English 16 Jan 89 p 6

[Text] Tehran, 15 January (KAYHAN INTERNATIONAL)—A new kind of chemical polymer called PCB, which has a vast usage in the production of a varieties of sponges, glues, rubbers and nylons has been recently invented by an Iranian scientist, Engineer Rasoul Ganji. It can also be used as a protective surface covering in the air/space industry.

According to a report recently released by the Public Relations and International Affairs Department of Iranian Research Organization for Science and Technology (IROST), the new polymer has been approved by foreign scientific organizations and it has also been registered as an invention in Iran.

The report said that the PCB polymer has consumed a total of 7,460 hours of laboratory work.

PAKISTAN

Senator Accuses PPP of Having 'Indo-Zionist' Support
46000101e Islamabad THE MUSLIM in English
17 Jan 89 p 6

[Text] Lahore, 16 Jan—Senator Asif Vardag, Vice President Pakistan Muslim League and Additional Secretary General of the IJI [Islamic Jamhoori Ittehad] has said

that the praise shown to Benazir Bhutto by U.S. Congressman Stephen Solarz only confirms the popularity of PPP [Pakistan People's Party] with the Indo-Zionist lobby.

He said Mr Solarz represented the view point that Pakistan should be cut to size politically and should accept Indian domination and hegemony.

He said the fact that within six weeks of the PPP assuming power in Islamabad Mr Solarz's visit to Pakistan and to establish personal contacts with the new Prime Minister shows his desire to influence events in our country.

Talking to newsmen here Mr Vardag said, it was now obvious that two points of view existed both within and outside Pakistan about our country's regional and global role. One view was that Pakistan should not maintain an assertive posture and should not have sufficient capability to maintain its position as a pre-eminent Islamic state, he added.

According to Mr Vardag this was the view shared by Mr Solarz, his friends in New Delhi and the PPP leadership here. He said the other view is ours and we want Pakistan to be strong and have an influence in its own right in both Asia and the Middle East.

Mr Vardag said Mr Solarz had never supported supply of U.S. weapons to Pakistan especially if these weapons could enhance Pakistan's defence capability against India. "He secures most of his finance from Indian businessmen in New York and gets his votes from Zionist voters," he observed. He is therefore more interested in strengthening India and Israel than Pakistan, he added.

Mr Vardag demanded that the Pakistan Government should not allow itself to be influenced by the Indo-Zionist lobby, but should develop relations with those within the United States who are proud of support to Pakistan and the Afghan national liberation struggle. He also warned against the possibility of Mr Solarz initiating any new moves to curtail U.S. military assistance to Pakistan.—PPI

Issue of Repatriation of Biharis Heats Up

Commentary Urges Caution
46000098 Islamabad THE MUSLIM in English
1 Feb 89 p 4

[Commentary by Syed Akbar: "The Issue of Stranded 'Pakistanis'"]

[Text] There are two versions on the recent disturbance in Sind against the return of those from Bangladesh who, despite suffering 17 years of neglect and dereliction of responsibility, have stuck to calling themselves Pakistanis, and hoping to be reunited with their land. First

the Federal Minister of Law and Parliamentary Affairs, Syed Iftikhar Gilani. Responding to the Sind members of the Senate protesting against the imminent arrival of these lost souls in Karachi, who were reported to be on their way from Dhaka to the place of their resettlement, he was reported to have said that in view of the disturbed situation their repatriation has been stopped.

From his statement it was clear that the so-called Biharis were scheduled to arrive on the day that the Jiye Sind Movement and other assorted Sindhi nationalist organisations organised a protest at the Star Gate near the Karachi airport. The government must have got wind of this and cancelled the movement of these people. In the situation the PPP [Pakistan People's Party] government acted wisely, realising at the same time that if a stand were to be taken on behalf of the returning Pakistanis from their unfortunate diaspora, much blood would be lost, lives wasted and the party itself riven dangerously. Given Minister Gilani's hitherto conciliatory approach to political problems in the country, his reaction was quite in character.

Violence Pays

At the same time, it needs to be pointed out that those opposed to the resettlement of stranded Pakistanis anywhere in Pakistan, were encouraged to find that threat of violence pays. The message to the MQM [Muhajir Quami Movement] fidayees was the same, and despite Altaf Hussain's commitment not to waste the democratic blessings recently won in the recent elections, they may yet step out on the streets in the expectation of muscling their people in into the country.

Karachi Accord

Gilani's response also highlighted the political insensitivity of the party and the government over the issue, particularly with reference to timing. It needs to be recalled here that the last PPP government's effort to bring back to Pakistan the stranded Pakistanis in Bangladesh was welcomed with the slogan of "Bihari na khape" emblazoned on all available walls in Sind. The party leaders may have believed then that Sind's mandate was with them to do whatever they wanted. When it dawned upon them that on this issue this was not so, they pulled back on the issue and put it on the back burner. The present condition does not appear to be different. What is also unfortunate at the same time, is that those who failed to seek or win electoral standing have once again seized the ethnic height from the PPP, despite the fact that its own diehard Sindhi wing is no less active and vociferous. The party may wish to use this wing positively, rather than allow parties and pressure groups on the electoral fringe to initiate and engineer disturbance outside the democratic fold.

What is going to be seen as the government's weakness by the Sind nationalists as well as the Mohajirs, particularly those who were fellow sufferers once and are now

settled in Orangi, will put undeserved pressure on the MQM leadership and could put in jeopardy the Karachi agreement signed between this party and the PPP. The possibility of the religious parties, driven out into wilderness by the MQM, jumping into the fray and causing further confusion and uncertainty over the issue has become very real. The support for repatriation expressed by Senator Qazi Hussain Ahmad of Jamiat Islami is disturbing.

The other version was Altaf Hussain's. Calling it a conspiracy he said in a press statement that it "started with mysterious reports from unknown sources, appearing in the press about the return of the stranded Pakistanis. Neither the government in Islamabad nor Karachi ever issued anything official about their return." Gently chiding the Federal and provincial governments, he was deflecting demands that could be made on his party for pressurising the two governments.

Valid Point

Altaf Hussain is not ready to do this at this point of time, and this is why he asked his supporters to keep peace and resist provocation. Having found its mooring in the democratic electoral process, his party cannot take to the streets so soon, and has to resort to the democratic imperative of seeking and using dialogue for resolving differences no matter how dire they may be. Altaf Hussain's declaration that the MQM will "continue to press for repatriation, while refusing to get provoked into any frenzy of violence" was reassuring all round. But the issue having been raised and mishandled remains, ticking like a time bomb.

It appears that the PPP government has not made political preparation for resolving the issue. It does not have a coordination and communication programme and appears to be suffering under the illusion of resolving it administratively. That this approach has the potential of exploding within the party and all over Sind, may not be clear to its leaders as well as rank and file. This is why we see evidence of a near paralysis insofar as a political solution to the problem is concerned. The dilemma is that the Sindhi despair over what can be called a demographic strangulation is as real and pressing as Pakistan's moral responsibility to bring back its own people living in a tragic exile imposed upon them by the political incompetence and military debacle of the state. These people are the State's responsibility, as is Sind where deprivation, arising from economic inequality and loss of identity, is a critical issue left unaddressed and allowed to fester. Senator Jatoti had a very valid point when he said that the stranded Pakistanis settled anywhere in the country will trickle down to Karachi. But he should also have taken into account the report that thousands of Afghan refugees, who have no claim on the soil and resources of Pakistan, are now pouring into the city almost everyday with the intention of permanent settlement.

Task for PPP

The exiles in Bangladesh can be left on the shelf for fear of agitation for another decade, or, even forever. But the fear of Sind cannot be, and, it is in this context that the repatriation issue needs to be settled. Both political will and wisdom is required to address it by all concerned, and we have no doubt that democracy itself will be tried and judged on how it will be addressed equitably and without any loss of time. It must be admitted that the PPP can settle it, but only when it wrests leadership from the electoral exiles of Sindhi nationalism. To do this will require strength and insight of the highest order. Will the PPP leadership be equal to it? This is the question!

Sindhi Press Expresses Opposition

46000098 Karachi DAWN in English 3 Feb 89 p 5

[Article by Anwer Pirzado]

[Excerpt] The fortnight under review (Jan 20-31) witnessed an unprecedented campaign launched by the Sindhi newspapers against the repatriation of Biharis. Special editorials on the subject were repeatedly written and comprehensive coverage was given to the statements of the antagonists of the repatriation. Some, however, suggested that if the repatriation was inevitable, the Biharis should be settled in other parts of Pakistan instead of Sind.

DAILY MEHRAN of Hyderabad—an organ of the Pakistan Muslim League—wrote editorially on 24 Jan. that with the problems of poverty, unemployment and illiteracy remains at their peak. The settlement of the Biharis in Sind would only aggravate the situation. The paper said the province had already picked up more than its share of the burden and now Punjab must accept some of the liability.

HILAL-I-PAKISTAN, Karachi, of 22 Jan. discussed the issue in detail and feared that the plan to bring in the Biharis was a plot to create misgivings between the people of Sind and the PPP government and to erode its mass support in the province.

SIND NEWS of 23 Jan. observed editorially that the demographic situation in Sind had already been disturbed...if the repatriation of Biharis is so essential, they should be absorbed in other provinces.

AFTAB, Hyderabad, also opposed the repatriation of the Biharis in a strongly-worded editorial on 23 Jan. and the SIND NEWS of 27 Jan. expressed satisfaction over the putting off of the programme of repatriation. [passage omitted]

Eighth Amendment Issue Debated

Question of Executive Authority

46000094 Karachi DAWN in English 27 Jan 89 p 7

[Article by Sultan Ahmed: "The Question of Locus of Power"]

[Text] A major constitutional issue in the country today is: where should the executive authority of the Federation vest—in the prime minister or the President?

What we have now conceptually is a parliamentary democracy. And that is what all the leaders, except two of the three military rulers, have sought over the decades. Even the nominated Majlis-i-Shoora of General Zia came out loud and clear in favour of a federal parliamentary democracy despite the presidential system which he insistently wanted. So following the return of the democratic process the executive authority of the federation within the executive authority of the federation within the parliamentary system should vest in the prime minister, as the 1973 Constitution explicitly demands.

But Gen. Zia through his sweeping Eighth Amendment, which reshaped the 1973 Constitution into the 1985 Constitution, made it a largely presidential system, with himself as the chief executive of the Federation. The National Assembly, elected on a non-party basis and with nominated Prime Minister (Mr Mohammad Khan Junejo) agreed to it, despite strong resistance from within the ranks of the official Muslim League, as Gen. Zia made it a binding pre-condition for lifting martial law even over nine months after the elections.

Article 90 of the reshaped constitution says: "The executive authority of the Federation shall vest in the President, and shall be exercised by him, either directly or through officers subordinate to him in accordance with the constitution."

In sharp contrast to that, the 1973 Constitution had said:

"The executive authority of the Federation shall be exercised in the name of the President by the federal government, consisting of the Prime Minister and the federal ministers, which shall act through the Prime Minister, who shall be the chief executive of the Federation." "In the performance of his functions the Prime Minister may act there directly or through the federal ministers."

Hence Ms Benazir Bhutto wants the authoritarian Eighth Amendment and the steps that followed to pulverise the 1973 Constitution to go forthwith and the Prime Minister become the effective executive instrument of the State by right and not through the delegation of the authority of President Ghulam Ishaq Khan.

Gen. Zia through his amendments had increased the authority of the President so vastly that he could appoint all the key functionaries, beginning with the Prime Minister (until 1990), the Governors of the provinces in consultation with the Prime Minister, whose suggestion is not binding on him, Chairman of the Joint Chiefs of Staff Committee, and three service chiefs, the chief justice, the Chief Election Commissioner and chairman of the Public Service Commission. The President can also at his own discretion dissolve the National Assembly if in his opinion "a situation has arisen in which the government of the federation cannot be carried on in accordance with the provisions of the constitution and an appeal to the electorate is necessary."

The same kind of authority is vested in the Governors of the provinces. So if Gen. Zia misused that authority on May 29 when he dismissed all the cabinets and dissolved the national and provincial assemblies, following his death Gen. Musa acted in an absurd manner in Baluchistan on December 15 when he dissolved the provincial assembly. The verdicts of the courts on impropriety and illegality of both the actions are clear.

A major difference between the parliamentary system and the presidential system is that a Prime Minister found guilty of misconduct could be removed from office within days, while removing a President who misbehaved demands a protracted exercise. While the Prime Minister could be removed through a simple majority of the National Assembly [NA], half the members of the NA have to give notice for the removal or impeachment of the President and the motion has to be passed by two-thirds majority, which may not be easily available. Hence a very strong President is the negation of a democratic order.

But if Ms Bhutto is for quickly annulling the Eighth Amendment, the IJI [Islamic Jamhoori Ittehad] opposition is not for that. The IJI leader in the NA, Chaudhri Shujaat Husain, after two meetings with Justice Minister Iftikhar Jilani and another with Interior Minister Aitzaz Ahsan has said that repealing the Eighth Amendment is not a burning issue, and issues like Kalabagh Dam and distribution of Indus water among the provinces should have the top priority. He has also said the IJI did not want any change in the Eighth Amendment.

The IJI can adopt this stance because of its majority in the Senate which it will use to block the repeal of the Amendment as two-thirds majority is essential in both the houses to repeal it. If the IJI is adamant on not agreeing to its repeal because of its strength in the Senate, the PPP [Pakistan People's Party] may try to whittle down that strength through every legal or constitutional means available to it. And that may increase the acrimony between the two parties, in the manner swearing in of three IJI members in the Frontier Assembly as ministers and one as adviser under a PPP chief minister has made chief minister Nawaz Sharif of the Punjab very bitter.

The PPP by now is not insisting on dropping the Eighth Amendment altogether. It is ready to sit down with the opposition leaders in the NA and discuss it clause by clause so that the anti-democratic or authoritarian clauses could be dropped. That is precisely what the IJI does not want. Pillars of the military regime, like Gen. Fazle Haq and former minister and Secretary-General of the Muslim League Iqbal Ahmad Khan are explicit about that. And so is the Jamaat-i-Islami, which before the elections was emphatically for the return of the 1973 Constitution.

Their approach is very subjective. They do not want to make Prime Minister Benazir Bhutto powerful. Instead they want real authority to vest in President Ghulam Ishaq Khan whom they got elected with the backing of the PPP as well.

Mr. Ghulam Ishaq cannot be happy to see his powers whittled down to the minimal level prescribed by the 1973 Constitution. But he has not spoken on the subject, except to say that he would go by the decision of the Parliament. And as long as the IJI has the veto power in the Senate he has little to fear.

The ANP [Awami National party], headed by Khan Wali Khan, PNP [Pakistan National Party], PDP [Pakistan Democratic Party] and JUP [Jamiat-i-Ulema-i-Pakistan] are for deleting the Eighth Amendment. But their total presence in the NA is small, while they hardly exist in the Senate. Hence they cannot help Ms Bhutto on getting the obnoxious Amendment repealed.

The PPP had earlier proposed to have a referendum to ascertain the popular will on the Eighth Amendment. But as the opposition disapproved that move it has been given up. The Prime Minister has also now agreed to drop the amendments to the 1973 Constitution passed by the prior to the July, 1977, except the two relating to the boundaries of Pakistan which is technical and declaring Qadianis as a minority. [sentence as published] And if the opposition wants the Islamic provisions of the Eighth Amendment to be retained she may not object to that.

Some argue that the Eighth Amendment could be left as it is and abuses by the President or the Governors prevented by an independent judiciary acting as the guardian of the constitution. But our history shows that the higher courts have seldom acted independently. The independent course so strikingly adopted by the courts now is the outcome of the appeals by the new rulers to them to act truly independently, and their commitment to abide by verdicts of the courts. This is an exceptional case.

Rulers ranging from Ghulam Mohammad to Gen. Zia wanted the courts to endorse what they did. So Justice Munir endorsed the dissolution of the Constituent Assembly by Ghulam Mohammad in 1954, and Justice Anwarul Haq upheld the seizure of power by Gen. Zia on

July 5, 1977. Secondly, it is imperative to provide the right kind of checks against improper presidential or gubernatorial action rather than try to make amends for them through the courts after a long period of suspense.

The 1973 Constitution which stripped discretionary authority of the President was the outcome of the gross abuse of that authority vested in Ghulam Mohammad as Governor-General and in Iskander Mirza as the first President. But now some argue that in the light of the unhappy outcome of the infinite authority vested in the Prime Minister or in the PM through the NA, by the 1973 Constitution that authority should be curtailed and a balance between the PM and President should be established.

Achieving that will be a tough task. How to do that without in effect, if not in law, making the President too powerful by arming him with discretionary powers, in view of what happened in 1954 and 1958 and 1988? If the NA could be an effective check on excesses by Prime Ministers and a zealous guardian of the democratic process, that would have been very adequate. But that has not been our history in the 1950s, 1960s and 1970s. The NA buckles under executive pressure too easily or after ineffective protest.

Another solution could be to refer major controversial decisions affecting the constitution to the courts before they are formally announced or implemented, instead of inviting the courts to look into them long after they had been implemented as in the case of the Baluchistan Assembly.

But what is certain is that for strengthening the democratic process the Eighth Amendment as it is has to go. And the opposition has to adopt an enlightened policy instead of relying on the amendment as a stone wall to check the freedom of action of the federal government.

Repeal of Amendment Supported

46000094 *Karachi DAWN in English* 28 Jan 89 p 5

[Article by M. B. Naqvi: "Annuling Eighth Amendment"]

[Text] Federal Government is in pursuance of its commitment to repealing the Eighth Amendment, trying to recruit help of various opposition parties. The immediate outlook is not particularly bright. For, the PML [Pakistan Muslim League] and Jamaat-i-Islami, that command a majority in the Senate, are opposed to the idea. Other parties are sympathetic to the PPP's [Pakistan People's Party] purpose but put their own conditions. The subject promises to remain a contentious one.

The PPP leaders are on firm ground in holding that the Eighth Amendment to the Constitution was a shabby manoeuvre whereby a military ruler forced a hapless Parliament to confer on him powers that are commonly regarded by all democrats as repugnant. Nevertheless,

quite a few political elements have decided to oppose the PPP and wish to retain the 1985's distorted constitution. Their preferred explanation is that they want to maintain a balance of power between the President's and the Prime Minister's authority, functions and privileges. What is implied is that the country's first unanimous constitution that was accepted by all schools in 1973 was defective in that it robbed the President of all real authority. This is a theory that has been made fashionable by mainly Gen. Zia-ul-Haq and some of his publicists.

At this point, there are several other parties and schools of opinion that are otherwise contemptuous of the "1985 Constitution" get into the act. Many of these were in the MRD [Movement for the Restoration of Democracy] and had cooperated with the PPP against Martial Law. Although they do not accept the rather-absurd theory of imbalance between the President's and PM's powers, they have their own objections to the seven amendments that had been incorporated during the first PPP government. They would willingly support the repeal of 1985 amendments but would also insist on repealing those seven amendments; they want the 1973 Constitution to be enforced in its pristine condition. (Out of the seven, most want two amendments to be retained—viz, one dealing with the definition of Pakistan after the recognition of Bangladesh and the other pertaining to the Qadianis being a non-Muslim minority—while some would retain only the first concerning the Pakistan's present boundaries.) What the true PPP position is about the remaining five amendments is unclear. But the formal PPP reply is that they are negotiable.

The parties that are supporting a balance of power between the powers of the President and PM, are in an anomalous position: what they are approving is—read with all of Gen Zia's measures simultaneously protected—that the President should have the power, in his own discretion, to dissolve the Parliament and provincial assemblies and dismiss the central and provincial governments at will. (Lahore High Court judgement calling Gen Zia's May 29, 1988 action unlawful has certainly a bearing; but what precisely is the resulting constitutional position remains unclear that would require constitutional amendments of some sort.) Nevertheless the essential idea of the President, who is not a popularly elected dignitary, being able to sack popularly elected assemblies, and cabinets responsible to them, is a clear negation of democracy and abhorrent.

The talk about balance of power between the President and the Prime Minister is mostly based on specious reasoning. The context in Pakistan is not one of presidential system clear-cut checks and balances are required in a presidential setup among various organs of State, especially between the directly-elected President and directly-elected legislatures. In a parliamentary system—and Pakistanis have preferred it to presidential system after a long and hard struggle—the basic concept is Parliament's supremacy.

The Head of the State does not have substantive power or function; he (or she) is merely a symbol of the State's authority, where all actual powers belong to popular representatives acting through a government responsible to them. No checks and balances are necessary here. This system requires the PM to be supreme—and in provinces the CM [Chief Minister] is similarly supreme within the provincial sphere though the position regarding the Governor in our case remains ambiguous because he is a nominee of the federal authority and acts on the latter's instructions, thus abridging provincial autonomy in the most fundamental respect. (This imperfection is a legacy of the Government of India Act 1935 and will have to be addressed to some day.)

Simply to dismiss the case of those who want a balance of power between the President and the PM as being undemocratic and unworthy is not enough. We must understand why so many politicians have found it plausible. Apart from Gen Zia's sustained propaganda, there is a wide but unspoken realisation that there are certain unseen powers and forces in this country that ought not to be ignored. Some of us have called it the "invisible" or "permanent" government. In fact, these are the vested interests that have been strengthened and pampered to by authoritarians and which have, in turn, sustained various dictators and Martial Law regimes.

After Gen Zia, all concerned tend to assume that the President's office is the one that should have special powers over and above—to balance—the PM's so that forces of democracy are, on the one hand, held in some check and, on the other, the perpetuation of that "permanent" government is ensured. Without this presumption, the current debate about the Eighth Amendment makes no sense. In political morality, the PPP leadership's case against the Eighth Amendment is unassailable. It is altogether too myopic for the PML to say that it wants to preserve what hit it so hard on May 29, 1988.

What about the plausibility part that one mentioned and the reasons for which some of the old MRD parties insist on the older Amendments to 1973 Constitution going as well. The powers of the PM under the 1973 Constitution, as noted, were untrammelled by those of the President or anything extraneous to the constitution. The particular five Amendments being objected to were abinitio controversial and out of character with the constitution that was otherwise unanimous.

On these, purposeful negotiations are possible and a *modus operandi* can be agreed upon, more so as the present PPP Government does not show any inclination to clip the powers of the judiciary or otherwise to ride roughshod over oppositions. There is a perceptible change of temperament between the first and the second PPP governments. And the second will be well advised to pay heed to opposition's sensitivities; how can it forget

what happened on July 5, 1977, when the PPP government was overthrown by the military, but those who should have been its natural allies and defenders, were silent, if not in collusion with the man who carried out putsch.

For the rest, giving more powers to the President now is, at bottom, only a version of what Gen Zia tried hard to write into the Constitution: a permanent role for the armed forces in the governance of the country. Some of the so-called realists advocate, not very convincingly, that if the President is not invested with what used to be the "reserve powers" of the Viceroy, the danger of military take-overs will continue to hang over the heads of elective institutions like the Sword of Damocles. This is absurd and, in fact, a reflection on our armed forces. Absurd because it is like continuously sitting by a freshly-dug grave because death is inevitable and, by assuming that armed forces are straining at the leash to take over. The plain truth is that, if they have to take over, they will; no amount of needless concessions will prevent them. There is no point in giving them ideas inconsistent with their defined role and duties.

'Quiet' Consensus Urged

46000094 Peshawar *THE FRONTIER POST* in English
19 Jan 89 p 4

[Editorial: "The Eighth Amendment"]

[Text] From any standard and any point of view, the notorious 8th Amendment was passed under duress by the unrepresentative National Assembly elected on a non-party basis in 1985. In substance, it was ordered by the CMLA [Chief-Legislative Assembly] and President. It was badly worded, inconsistent and in parts ambiguous. Before the formation of the PPP [Pakistan People's Party] Government at the Centre, there was a unanimous demand for the repeal of this Amendment and the restoration of the 1973 Constitution which had the support of all parties in the National Assembly.

Strangely enough, now many of those who had sworn to repeal this notoriously undemocratic Amendment are reluctant to keep their promises. This is characteristic of our politicians who, with a few honourable exceptions, behave in one way when they are in the government and whose conduct undergoes a sea change when they are in the opposition. Their memories of what they promised the electorate and what they declared in public as their policies are shortlived and they fondly believe that public memory will be just as weak. But nowadays, people are wide awake and remember those somersaults of their leaders and judge them accordingly at the polls.

The PPP is determined to get this badly framed undemocratic Amendment repealed, but as things stand it cannot muster the support needed in the National Assembly. The PPP leadership has invited leaders of all parties to get together to discuss this Amendment and find ways of repealing it but the response from the IJI has

not been satisfactory. Mr. Iqbal Ahmed Khan wants to know exactly what changes the PPP wants and is not prepared to repeal the whole 8th Amendment, claiming for it proper legality, since it was not an act of the martial law government, but of the "elected" National Assembly. The whole question of the legality of the 11-year regime bristles with doubts and ambiguities and in the opinion of common people, was altogether illegal and all acts done during that period do not have the sanction of law. The military coup was itself an act of serious breach of the Constitution and the Supreme Court only permitted it to continue under the "Law of Necessity" for a limited period, but the CMLA President prolonged it till his death enabled the restoration of civilian democratic rule but some of the worst features of the legacy of these 11 years remained. All those who have now obtained the popular vote and are in power in the Centre and the provinces should, as democrats, proceed to dismantle the undemocratic structures left behind by the military rule.

The 1973 Constitution may need amendment and no one in his senses would take the position that the 1973 Constitution, like any other constitution, is a document that cannot or should not be changed, and the manner of doing this is provided in the Constitution itself. Now that we have a properly elected National Assembly, we have the means to make amendments in our Constitution. The 1985 National Assembly was "elected" in conditions and in a manner which was most undemocratic so that no political party was permitted to take part in the elections as a party. Individuals were elected without there being any political programme or policy mentioned during the elections. Mr. Iqbal Ahmed Khan will remember that when the most recent Muslim League was formed by the members of the National Assembly, it had to be bailed out by a Presidential Ordinance. The 1985 National Assembly was a puppet assembly carrying out the orders of the 8th Amendment. This is the reason why the nation cannot accept this Amendment as justified and a legal act.

There could be an attempt to restore the 1973 Constitution with the amendments agreed upon between the PPP leadership and the PNA [Pakistan National Alliance] leadership in 1977. Other amendments proposed by the IJI [Islamic Jamhoori Ittehad] could also be considered. If this is done with due regard to the importance of the matter and with due respect to all points of view. A common citizen of Pakistan cannot imagine any real obstacle to the achievement of a satisfactory and democratic consensus on the Constitution of 1973, as suitably amended in the light of the demands of the present day. There is no disagreement on the fact that the 8th Amendment changed a parliamentary form of government into a Presidential form of government which the nation has rejected most emphatically. We will admit that the 1973 Constitution as implemented by the Federal Government was in some matters, contrary to the spirit of the Constitution and therefore we would agree that the 1973 Constitution should be so amended that a

better balance is made between the powers of the Prime Minister and the President. We can, therefore, hope every possibility exists for a satisfactory consensus to be reached if our leaders go about it in the correct way and start a dialogue between party leaders. Long range statements flung at each other are certainly not a way that is likely to produce positive results and should be stopped. Quiet personal contacts and discussions will yield better results.

Commentary Examines Punjab Chief Minister's Relations With IJI

46000093d Lahore VIEWPOINT in English
19 Jan 89 p 30

[Commentary by Husain Naqi]

[Text] Qazi Husain Ahmad, Amir Jamaat-i-Islami, has warned that Mian Nawaz Sharif will be totally isolated if he moves a step closer to Prime Minister Ms. Benazir Bhutto.

The Jamaat Amir's warning came in the wake of pressure being built up through its student wing, the journalistic community, and the trade unions in public transport, to pressurise the Punjab Chief Minister to follow its diktat as it did during the election campaign in November last. While both the Jamaat and Mian Nawaz Sharif's faction of the Muslim League share pro-Zia sentiments, the Jamaat's fascistic policies and tactics to take command of any alliance that it joined, especially the misuse of the IJI [Islamic Jamhoori Ittehad] platform during and after the November elections, was strongly resented by Muslim Leaguers as well as other smaller parties in the alliance.

Strong Criticism

It may be recalled that at the Punjab PML [Pakistan Muslim League] meetings, strong criticism was made of the PML having been pushed to a secondary position in the IJI which was taken for a ride by the Jamaat. For the traditional Muslim Leaguers, it was an obvious embarrassment to be seen in the company of the Jamaat Islami which had opposed the establishment of Pakistan and its leadership, had used foul language at its inception calling it "the birth of a beast."

The Jamaat leaders have also been most disrespectful to the Founder of the Nation. For Ziaists in the party, this might not be something serious for the General by his words and deeds was no follower of Jinnah but of Maulana Maudoodi. Mian Nawaz Sharif, in his zeal to emerge as a national leader had, in a League anniversary meeting, had to call the Quaid-i-Azam the only leader, and the PML the only party.

This irked the Jamaat leaders whose ambitions had, since the establishment of Pakistan, been to subvert sensitive institutions and take over power by force. In Gen Ziaul Haq, they had the longest innings, but then he

was only an individual. Mian Nawaz Sharif's economic and political stakes being high and he being no general, he could hardly be an effective instrument like Zia. But, for the present, he comes in handy as he is pitched against the forces of democracy and constitutionalism in the garb of the elected majority leader in the Punjab where the Jamaat had little support and depended on the PML and official backing to get a few seats in the N.A. [National Assembly] and in the province.

Troublesome

To keep this relationship intact is getting troublesome, for Mian Nawaz Sharif won't like to be dictated to by the Jamaat youth to release its activists involved in the murder of students belonging to organisations whose support the Punjab Chief Minister and the PML needed to confront pro-PPP [Pakistan People's Party] groups and organisations. Furthermore, he and his Government have taken up the campaign against the political workers convicted by military courts. How can he concede the IJT [Islami Jamaat-e Tulba] demand at the moment? He is, therefore, confronted by the IJT youth who badly need to retain their aggressive posture. They crossed all limits and even burnt an effigy of Mian Nawaz Sharif which the local Press almost blacked out except, of course, the PPP daily MUSAWAT which got the opportunity to show the growing cleavage between the IJI partners.

This will increase pressure on the Punjab Chief Minister from the PML old guard to distance himself from the Jamaat Islami. There is also a growing feeling in the PML rank and file that Mian Nawaz Sharif's confrontationalist attitude towards the Federal Government is eroding PML image as a non-parochial, non-chauvinistic and moderate political party. All PML legislators are not hawkish and many among them strongly favour a truly democratic system with a complete break from Zia's legacy, especially the Eighth Amendment, the PCO [expansion unknown] and the RCO [expansion unknown] that mutilated the 1973 Constitution. Some among them would like to rid the PML of identifiable members of what a local PPP leader, Arif Iqbal Bhatti, described as the "Zia Mafia." One can see the consensus developing among democratic forces and their political parties on the essential requirements for safeguarding and strengthening democracy by isolating the "Zia mafia" inducted into political life.

Powerful Mafia

In the past decade or so, this mafia, thanks to drug trafficking, gun-running and bootlegging has spread its tentacles all around and has become quite powerful. However, it is not so strong as to topple a genuinely elected Government. For the health and progress of society this mafia needs to be, and can be, smashed. First, it should be isolated through incisive exposure. Its big fish, though not numerous, are quite strong. But the situation will change once they are exposed to the public

at large. This should not be an exercise done in a hurry nor should it be left to the bureaucracy. The task should be supervised by impartial public figures and there should be no victimisation on political grounds.

'Punjabism' Called 'Myth'

46000101c Islamabad THE MUSLIM in English
5 Feb 89 p 4

[Editorial by Mohammad Qayyum, Abbottabad]

[Text] Mr A. M. Malik in his letter of 31 January has not only seriously objected to the 'pro-PPP [Pakistan People's Party] tilt' of THE MUSLIM but has also threatened it with a campaign to ostracise it if it did not change its policy in favour of 'Punjabism.' He has also informed the readers that since 16 November 1988, he and perhaps others like him have been working for 'Punjabism' as a means to survival. This trend of blatant parochialism is to be condemned by all sane and intelligent Pakistanis. What has amazed me is the claim by the learned writer to a myth he calls 'Punjabism'. Before delving deeper into the implications of this claim that there is such a thing as 'Punjabism' it might be necessary to first examine if there has ever been a Punjabi nation.

Historically the pre-partition Punjab was carved out by Ranjit Singh after the fall of the Afghan empire and as an Administrative convenience it has been known particularly by the British as Punjab, for it has five rivers running through it. The 'Punjab' we inherited the Partition is in fact a "Doab" based on two remaining rivers i.e., the Jhelum and the Chenab, after we surrendered the other three rivers to India in the 1960s. Similarly the composition of the population too has undergone change and one cannot lay claim to a 'pure' Punjabi culture at present. In the era prior to Ranjit Singh there were Subedaris like that of Multan, Lahore, the Potohar, the Derajat and so on. Even today the languages spoken all over the province are derived from different socio-cultural ethos. The Saraiki belt comprising Multan, Bahawalpur and D.G. Khan divisions and part of D.I. Khan form a larger area than central Punjab. The Potohar area has little in common with the so-called Punjabi culture. Besides, there are large elements of Pathans, Baluch and emigres speaking different languages. Also the language known as Punjabi is in fact based on Gurmukhi, the Sikhs speak across the border in India. In fact it is difficult to pinpoint a single Punjabi culture background and defend it in the name of 'Punjabism', what to say fighting for its 'survival'!

It is unfortunate that today we find top leaders from the Punjab giving vent to parochialism as a political ploy. We all know that Pakistan is a Federation and its strength lies in its people. But if tendencies like 'Punjabism' are allowed to take root, and leaders instead of attending to their basic role of serving the masses indulge in histrionics, then the unity of the nation is bound to suffer. In the recent past, whenever the cause of the other constituent provinces was aired by any of its leaders, they

were dubbed as 'separatists' and 'enemy agents,' etc.; but now for the first time it seems the Punjab leadership is crying hoarse for the 'rights' of the Punjabis.

In the end let it be understood that if 'Punjabism' is to be cultivated as a slogan for the "survival" of an imaginary Punjabi nation, then it will be a motivative propellant for the Pathans and the Baluch peoples to claim their respective nationality on the basis of undisputed identity of culture and language besides their ethnic heritage as opposed to the dubious nature of the Punjabi identity. Kindly desist from preaching 'Punjabism'; only Pakistan must be the source of our existence and inspiration.

Editorial Urges Freedom of Information Act
46000101a Islamabad *THE MUSLIM in English*
3 Feb 89 p 4

[Text] With democracy back in the country and a government that says it believes in freedom and openness, it is time attention is focussed on the issue of public access to information. Since the creation of Pakistan there has been no recognition by successive governments of the public's right to know—a principle that lies at the very heart of democracy. As a result a shroud of official secrecy has surrounded the business of government and policy making even where such secrecy cannot be justified on grounds of state security. This attitude has its roots in the colonial tradition which shut the public out and was designed to be anything but open. Attitudes die hard, and consequently, even during brief periods of parliamentary democracy, no effort was made to allow public access to government information. A system of secrecy was perpetuated, based on an antiquated Official Secrets Act, out of tune with the needs and demands of democratic norms of openness.

This has meant many things. Reports or findings of scores of commissions and enquiries have never been made public. And the list is a long one. No attention has been directed to declassifying official documents or information by either applying, for example, a 30-year embargo or distinguishing between information that impinges on state security and that which does not.

Scholars researching into the country's formative period have for example been denied access to documents and records without any grounds that can legitimately invoke security considerations. Indeed the whole official attitude has discouraged serious research and scholarship in Pakistan, thereby establishing an unhappy tradition in a country, which has yet to seriously examine its own history. A measure of this unfortunate phenomenon is that no authentic and worthwhile history of Pakistan has yet been written.

A modest attempt to secure public access to government information was made in the Senate a couple of years ago. A private member's bill was introduced in the upper house by Professor Khurshid Ahmed. The Freedom of Information Bill, 1985, whose scope was narrow enough

not to ruffle too many official feathers was nevertheless turned down by the Senate, because the then Muslim League government was not keen on such legislation. Interestingly one of the most vocal advocates of the bill was Senator Javed Jabbar—currently the PPP's [Pakistan People's Party] information minister. In fact, Jabbar delivered many an eloquent address on the issue. But now he is in a position to do more than make speeches. He has an opportunity to push for similar legislation because he sits in the government.

Denying access to information is incongruous with a free, open and democratic policy. It is regarded today as a fundamental human right, no less important than other basic rights. A freedom of information act is an urgent requirement reflecting the country's move towards open government. It provides an effective safeguard against maladministration and helps to operate the principle of accountability that is integral to any democratic system. It also enables us to understand history. A nation without the means to do this can neither understand the present nor plan for the future.

English Language Seen Necessary for National Progress

Medium for Learning Modern Languages
46000097 Peshawar *THE FRONTIER POST in English*
2 Feb 89 p 4

[Text] Teaching of modern languages is one area where Pakistan is constantly lagging behind compared to other nations, particularly those in the region. While the average university student in the developed world is proficient in two to three modern languages, our own are barely trained to express themselves in English. Why has there been a decline in the standard of English, both at the level of students and teachers, is a subject of another painstakingly comprehensive study. Universities the world over now have large teaching departments of modern languages with phonetics occupying a pivotal position. In Pakistan, the situation is diametrically opposite.

The concern for the lack of this ability is totally non-existent. As a matter of fact, whatever facilities there were in the beginning have now completely eroded. For example, the country's oldest university, the Punjab University, boasted departments of Italian, Spanish, Russian, French and German close to the independence. These facilities continued for a few years after the independence: but atrophied for lack of interest, funds or both. The situation now is that only the French department remains but the others are not there. The authorities closed down the department of Russian under a pathetic excuse that its continuation might encourage anti-Pakistan elements to seek refuge there. Likewise the institute of modern language, at Islamabad which became such a beehive of activity before the onset of martial law, is perpetually on a steep decline. The other

big universities in the country speak of a similar situation. By comparison, we might add that India is training thousands of teachers in foreign languages. In French alone, they have as many as 1,000 trained teachers. The new democratic government would do well to encourage the learning of modern languages. This in itself would be a battle against the seemingly all-pervasive obscurantism.

Students Prefer English

46000097 Peshawar *THE FRONTIER POST in English*
27 Feb 89 p 10

[Rafat Hussain meets a majority of students who decide on "English for a Developing Nation"]

[Text] Should English be the medium of instruction or Urdu? The question is controversial and the answer too leaves a lot of space for argument. But in a survey of 50 students of Government College, Lahore College and Kinnaird College, 30 students polled in favour of English; 15 students opined that English and Urdu should be simultaneously employed while the remaining five students declared that only Urdu should be the medium of instruction.

Ahmad Ali, a first year science student speaks for many students when he says "English should definitely be made the medium of instruction." He further says "Look, I am a medical student I have to keep up with the latest facts on medicine and all the books relating to medicine and science are written in English. Even to take the trouble to translate these books into Urdu consumes a lot of time and is also not worth the effort. If there is a need to teach in Urdu, then it should be limited to school."

Sania Sehbai, an intelligent looking girl, who is reading for a masters in Psychology from Government College, concedes: "I am not prejudiced against Urdu language and I feel it should be retained as a second language but right now we need to learn English as we are passing through a particular phase of development. We cannot make any progress unless we adopt English. It is after all an international language!"

"English has become a necessity in this age when so many of us are going abroad for higher education," says Surriya exuberantly. A student of Kinnaird College, she is planning to go abroad for further studies. "When you go abroad for higher education, you have to study in English, so you should be well acquainted with this language. You have to remember, once you leave Pakistan, you will not be able to communicate with the people anywhere if you cannot speak English. Many students, who had not studied in English medium institutions, face a language problem when they go abroad for higher studies."

A few students, who were against the use of Urdu as a medium of instruction, felt that if Urdu became the medium of instruction then the development of the country would be hampered. Though their argument did not carry much weight, amongst those students, a girl student Faryal, 3rd year student of Kinnaird College, substantiated the argument by saying, "Just look at India. In that country a Rickshawala can easily converse in English, but in our country even a graduate cannot speak English properly. We cannot deny that India is on the road to progress and we are far behind in the field of progress and development."

Ayesha, a student of English literature opines: "We should be taught in English right from elementary school till we arrive in college. It's when we reach university that we realise that each and every book used for higher education is published in English. Okay, Urdu is our mother tongue, she added, "we must learn to speak Urdu properly. But shouldn't we learn the language at home? Now what is the idea of imparting instruction in Urdu?"

Only a minority of students voted in favour of Urdu. According to their opinion, Urdu is our national language and it should therefore be given projection! Another point of view was that many students who came from Urdu medium schools faced problems in college and at university. So Urdu should continue to remain the medium of instruction.

"Teachers usually teach in English as the majority of students who study in our college can understand the English language but it is not fair to those students who cannot understand or speak English," complains Hafiz Sultan Tipu, a studious-looking young boy, who studies General Science. "We are being taught simultaneously in two languages i.e., English and Urdu. It is creating a lot of confusion, he says sounding annoyed, "we should either opt for Urdu or for English!"

Syeda Iffat, a student of government College, airs her opinion: "I graduated from an Urdu-medium college. Now at masters level, I'm facing problems, as I do not have any command over the English language. The problem is, we are not taught English properly, neither are we trained to express ourselves in English. During the school years stress is laid more upon the grammar of the English language. Well grammar is certainly important but so is the idiom and the content of the language. "We should be taught to express in the spoken language rather than learn the rules of grammar."

The students quoted above also feel that even after getting a B.A. degree they are not able to translate books written in English into Urdu and it is because of the particular flaw in our system of education that English is taught as a subject and not as a language. They say that those students who come from a background of English

medium schooling make fun of those who cannot speak the language. These English medium students suffer from a bad case of superiority complex," one student says vehemently.

This debate on whether English or Urdu should be the medium of instruction is an unending one but the results of this opinion poll show that the majority of students are in favour of English. It is not just a question of which should be the medium of instruction but a question of the future career of many students, which is tied to proficiency in the language. The situation is particularly grim for those students who are suffering as a result of existing educational policy regarding the medium of instruction. Since students are being taught in both Urdu and English they have to face a lot of confusion.

The previous government tried to make Urdu the medium of instruction but the proposal was not received with enthusiasm for various reasons. It was taken as a retrogressive step. Without getting emotional over the issue, it is necessary to point out that in a Third world context we must accept that the flow of language information is directed towards us from the West. So much so that all the print material available to us is in English language only. Relevant research available in field of technology, science and medicine are only to be traced in this language. To decide on switching over to the Urdu medium of instruction would involve a complete overhaul of the education system. Can we afford to take this step? We would have to translate entire text books, encyclopaedias etc., written in the English language, into Urdu. It would not only be time-consuming but costly. It has to be understood, more over that word-for-word translations would serve no useful purpose, as the spirit of the text would be lost in the process of translation.

The newly elected government is in the process of revamping policies with the education policy at the top of its list of priorities. Before formulating a policy regarding the medium of instruction, the government should keep in view the needs and views of the public affected by its actions.

Urdu Said Failure as National Language

46000097 Islamabad *THE MUSLIM in English*
31 Jan 89 p 3

[Article by Khalid Kahloon]

[Excerpt] Islamabad, 30 Jan—Punjabi, Sindhi, Pushto, Baluchi, Urdu and English should be developed in harmony with each other without one taking precedence over the others. This was the consensual opinion of a heated debate among scholars, academics and retired civil servants who had gathered to listen to Dr Aftab Ahmad Khan speaking on the question of "Culture: Myth and Reality" at a meeting of the Pakistan Management Group.

Dr Aftab explored the question of culture in terms of language. He said Urdu had played a vital role in the Muslims struggle for independence. But it is now faced with the threat of burgeoning regional languages and English.

While hoping that Urdu had a potential to survive the threats, he said it may, however, lose its relevance to the masses in the face of changed cultural and economic realities. He said that these trends are visible in Punjab which has for long been a strong-hold of Muslim culture, Urdu being its important complement. Apart from Punjab there were increasing demands for cultural autonomy in other provinces as well.

He said cultural upheaval was the main reason that the masses wanted to have their mother tongue as a means of communication. Urdu, he asserted, could not be implemented as a national language despite a constitutional provision. Urdu being perceived as a tool to meet political ends, he said.

He stated that the myth of Urdu as a national language was broken long time ago in 1959 when Bengali earned acceptability as a second language. Whereas, he emphasised Urdu alone is a language with a tradition and is understood across the country it may be difficult to call it a national language. He called for accepting this reality and giving other languages such as English a chance to serve our purpose. Of course English has served us well in the past when all our political, cultural and intellectual leadership was influenced by this language which has also been a window to the world.

The talk by Dr Aftab stirred a hot debate among the participants which was rich in content and much wider in scope. Most of the participants were of the opinion that Urdu has been used by the ruling elites at different times to make "political capital out of it." They agreed that whereas Urdu must be accorded its due status it, however, should not be "imposed" because people don't accept imposition of any language. One of the participants from private sector Khalid Waheed went to the extent of saying that the ministries of culture and information should be done away with for the sake of freedom of culture and information.

Mr Akhtar pointed out that Urdu was not in conflict with other national languages. It was its imposition which was resented by the people he added. He hoped that Urdu would continue to be the lingua franca.

Dr Waseem came out with some insightful observation on the subject. He traced back the problem of culture of the colonial past when Urdu was the language of the elite and the establishment. He said Urdu which assumed a political role during the struggle for independence was relegated to a secondary status later on and became the language of the non-elite.

In the present circumstances Urdu is embroiled in struggle between the elite and the non-elite where the latter wants to use Urdu to reach corridors of power and the former holding out against it on the clutches of English. Here consensus began to develop that English was a language which gets power. Inayat Ullah added that English was not only a "language of power," it was also a language of technology.

Dr Hashmi drew attention to a paradoxical relationship between power and language. Whereas it was true that a language accrues power, it, however, produced adverse effect when imposed with the political implications, he said. Mr Manzoor was of the view that Urdu failed as a national language because it was never adopted to local conditions. However, on the whole, opinion remained divided. [passage omitted]

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